

**JOURNAL**  
**OF THE**  
**SENATE**

**STATE OF MINNESOTA**

**SEVENTY-SECOND LEGISLATURE**

**THIRD SPECIAL SESSION**

**1981**

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STATE OF MINNESOTA

# Journal of the Senate

THIRD SPECIAL SESSION

FIRST DAY

St. Paul, Minnesota, Tuesday, December 1, 1981

The Senate met at 2:00 p.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 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. Setzepfandt
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	
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	
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	Irving M. Stern
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	

The President declared a quorum present.

STATE OF MINNESOTA

PROCLAMATION

WHEREAS: The biennial budget for the State of Minnesota for the biennium ending on June 30, 1983 has been approved by the Legislature and signed into law; and

WHEREAS: Because of the continuing recessionary trends in the national economy, revenues to the State of Minnesota during the current biennium are now projected to be significantly lower than anticipated at the time the budget was adopted, thus creating fiscal problems of a magnitude unprecedented in the state's history; and

WHEREAS: It is necessary to immediately address the state's current cash-flow problem prior to the next regular Session of the Legislature, 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 Tuesday, December 1, 1981, at 2:00 p.m. in the afternoon at the Capitol in Saint Paul.

I urge the Legislature to immediately address the need to assure that state government has sufficient monies available to meet its cash-flow needs, as well as such other matters which must be addressed prior to the next regular Session of the Legislature.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Minnesota to be affixed this nineteenth day of November 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

Messrs. Menning, Frederick and Mrs. Lantry were excused from the Session of today.

### 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 third 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 third Special Session, except that Rules 33, 40 and 57 shall not be operative other than as provided herein.

The Committees on Education, on Finance, on Rules and Administration and on Taxes and Tax Laws are 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 or recess.

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 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

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.

Mr. Moe, R.D. introduced—

Senate Resolution No. 3: A Senate committee resolution relating to living and travel expenses during the third Special Session.

BE IT RESOLVED, by the Committee on Rules and Administration:

For each calendar day during the third Special Session, not to exceed five days per week unless authorized by the chairman of the Committee on Rules and Administration, each member shall be paid living and travel expenses as provided in Senate Resolution No. 20, appearing in the Journal of the Senate, 84th Day, for the 1981 regular Session.

Each member who moves from his usual place of lodging during the third Special Session shall be reimbursed for his actual lodging expenses, not to exceed \$150 per month.

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 3, as follows:

Those who voted in the affirmative were:

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

Messrs. Benson; Moe, D.M. and Ramstad voted in the negative.

The motion prevailed. So the resolution was adopted.

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.

Messrs. Johnson and Peterson, C.C. introduced—

S.F. No. 1: A bill for an act relating to taxation; authorizing use of newly enacted federal depreciation provisions for all taxpayers; eliminating commissioner of revenue's discretion to adopt new depreciation schedules; amending Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 20; 290.09, Subdivision 7; and 290.091.

Referred to the Committee on Taxes and Tax Laws.

Mr. Vega introduced—

S.F. No. 2: A bill for an act relating to public utilities; limiting the amount of proposed rate increases that may be put into effect during suspension of a rate schedule pending final approval; amending Minnesota Statutes 1980, Sections 216B.16, Subdivision 3; and 237.075, Subdivision 3.

Referred to the Committee on Rules and Administration.

Ms. Berglin, Messrs. Nelson, Spear and Sikorski introduced—

S.F. No. 3: A bill for an act relating to federal money; extending the time period for allocating certain federal block grant money; amending Laws 1981, Chapter 356, Section 63.

Referred to the Committee on Finance.

Ms. Berglin introduced—

S.F. No. 4: A bill for an act relating to public welfare; changing certain provisions governing aid to families with dependent children as required or authorized by federal law; changing and adding definitions; changing eligibility standards; changing income, resource, and disregard provisions; specifying coverage for pregnant women; eliminating coverage of the unborn; specifying reporting and budgeting requirements; establishing the standard of need and payment amount; specifying the amount of stepparent income used in determining need; repealing a general stepparents' duty to support stepchildren; further specifying public agency responsibilities regarding support or maintenance orders; extending medical assistance coverage to certain pregnant women; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14, and by adding subdivisions; 256.73, Subdivisions 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.935, Subdivision 2; 256.99; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding subdivisions; 256B.06, Subdivision 1; 518.551, Subdivision 7; repealing Minnesota Statutes 1981 Supplement, Section 257.021; proposing new law coded in Minnesota Statutes, Chapter 256.

Referred to the Committee on Finance.

Messrs. Sieloff; Olhoff; Berg; Peterson, C.C. and Peterson, D.L. introduced—

S.F. No. 5: A bill for an act relating to taxation; updating estate tax references to the Internal Revenue Code; changing the specific exemption to conform to the unified credit equivalent; removing the marital deduction limitation; modifying filing requirements; amending Minnesota Statutes 1980, Sections 291.015; 291.03, as amended; 291.051, Subdivision 1; 291.09, Subdivision 1a; 291.132, Subdivision 4; Minnesota Statutes 1981 Supplement, Section 291.005, Subdivision 1; repealing Minnesota Statutes 1980, Section 291.051, Subdivisions 2 and 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Renneke, Dahl and Taylor introduced—

S.F. No. 6: A bill for an act relating to energy; exempting ethanol or fuel alcohol plants from certificate of need requirements; amending Minnesota Statutes 1980, Section 116H.13, Subdivision 8.

Referred to the Committee on Rules and Administration.

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 Third Special Session pursuant to law.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted December 1, 1981

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

#### MOTIONS AND RESOLUTIONS

Mr. Johnson moved that the names of Messrs. Pehler and Lessard be added as co-authors to S.F. No. 1. The motion prevailed.

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Thursday, December 3, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



### THIRD SPECIAL SESSION

#### SECOND DAY

St. Paul, Minnesota, Thursday, December 3, 1981

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

Prayer was offered by the Chaplain, Rev. M.E. Sandness.

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

Ashbach	Dicklich	Kronebusch	Peterson, C.C.	Spear
Bang	Dieterich	Langseth	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	Hughes	Merriam	Ramstad	Ulland
Bertram	Humphrey	Moe, D.M.	Renneke	Vega
Brataas	Johnson	Moe, R.D.	Rued	Wegener
Chmielewski	Kamrath	Nelson	Schmitz	Willet
Dahl	Keefe	Olhoft	Setzepfandt	
Davies	Knoll	Pehler	Sieloff	
Davis	Kroening	Penny	Sikorski	

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. Lantry, Messrs. Solon and Waldorf were excused from the Session of today.

#### MOTIONS AND RESOLUTIONS

Mr. Johnson moved that the name of Mr. Stern be added as co-author to S.F. No. 1. The motion prevailed.

#### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time and referred to the committee indicated.

Mr. Ashbach introduced—

S.F. No. 7: A bill for an act relating to the operation and financing of state and local government; reducing certain property tax credits; limiting property taxes eligible for the property tax refund; limiting certain appropriations for

local government aid and property tax relief; adopting certain federal income tax amendments; limiting the income tax investment credit subtraction; removing a provision prohibiting the commissioner of finance from reducing allotments pursuant to appropriations for state aids, payments, reimbursements, or fund transfers to or on behalf of school districts; increasing the limitation on the principal amount of certificates of indebtedness of the state; authorizing the commissioner of education to apportion allotment reductions made by the commissioner of finance; authorizing the commissioner of finance to delay payments and credits due to cities, towns, counties, or school districts; reducing appropriations for the general legislative and executive agencies of state government; providing for transfer of appropriations from the second year of the biennium back into the first year of the biennium; changing the state and county shares of the cost of certain public assistance programs; providing for establishment of a drug formulary by the commissioner of public welfare; limiting certain rate increases for medical assistance to eight percent; providing for a statewide uniform rate methodology; altering eligibility requirements for medical assistance; limiting certification of beds for skilled nursing care; decreasing the per diem rate for medical assistance for certain intermediate care facilities; authorizing the transfer of certain funds appropriated to the higher education coordinating board for obligations under interstate tuition reciprocity agreements; abolishing the general assistance medical care program; providing for distribution of funds to counties for health care of indigent persons; providing for the use of certain appropriations to discharge workers' compensation and unemployment compensation obligations; appropriating money; amending Minnesota Statutes 1980, Sections 256.82; 256B.04, by adding a subdivision; 256B.041, Subdivision 5; 256B.19, Subdivision 1; 256D.02, Subdivision 11; 256D.36, Subdivision 1; 261.21, Subdivision 1, and by adding subdivisions; 273.13, Subdivision 14a; 352.04, Subdivisions 2 and 3; 352.92, Subdivisions 1 and 2; Minnesota Statutes 1981 Supplement, Sections 16A.123; 16A.15, Subdivision 1; 16A.671, Subdivision 3; 124.213, Subdivision 1; 256.966; 256.967; 256.968; 256B.02, Subdivision 8; 256B.03, Subdivision 2; 256B.06, Subdivision 1; 256D.04; 256D.07; 273.13, Subdivisions 6, 7, and 15b; 290.01, Subdivision 20; 290.09, Subdivisions 3, 7, and 29; 290.92, Subdivision 15; 290.93, Subdivision 1; 290.934, Subdivision 4; 290A.03, Subdivisions 3 and 13; 477A.03, Subdivision 2; Laws 1981, Chapters 60, Section 27; 356, Sections 45, 46, and 62, Subdivision 2; and 359, Section 3, Subdivision 3; First Special Session, Chapter 1, Article 3, Section 3; proposing new law coded in Minnesota Statutes, Chapters 16A and 124; repealing Minnesota Statutes 1980, Sections 256D.02, Subdivision 4a; 256D.03, Subdivision 3; 261.21, Subdivision 2; 261.22; 261.23; 261.231; 261.232; 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; Minnesota Statutes 1981 Supplement, Section 256D.03, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

#### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 3:00 p.m., Monday, December 7, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## THIRD SPECIAL SESSION

### THIRD DAY

St. Paul, Minnesota, Monday, December 7, 1981

The Senate met at 3:00 p.m. and was called to order by the President.

#### CALL OF THE SENATE

Mr. Hanson 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. George Weinman.

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

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

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. Chmielewski, Dicklich, Mrs. Lantry, Messrs. Olhoft and Purfeerst were excused from the Session of today.

#### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Benson, Lindgren and Purfeerst introduced—

S.F. No. 8: A bill for an act relating to public welfare; altering certain provisions of the program of aid to families with dependent children; redefining the term "dependent child"; expanding the definition of persons ineligi-

ble; eliminating eligibility of the unborn; requiring rules to define "special needs" for eligible pregnant women; requiring recoupment of overpayments; requiring registration of certain dependent recipients for employment services, training, and employment; restricting the earned income disregard to four months; restricting work expense disregards; providing for voluntary third party payments; eliminating eligibility for recipients participating in a strike; eliminating a prepaid funeral contract and reverse mortgage loan guarantees as disregarded resources; modifying the service fee for child support collection services; modifying the resource limits for recipients of aid to families with dependent children; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14; 256.73, Subdivisions 3a, 5, 6, and by adding a subdivision; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1; 256.81; 256.871, Subdivision 2; 256.935, Subdivision 2; 256.99; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; and 518.551, Subdivision 7; and proposing new law coded in Minnesota Statutes; Chapter 256.

Referred to the Committee on Finance.

Mrs. Brataas, Messrs. Chmielewski, Pehler, Taylor and Belanger introduced—

S.F. No. 9: A bill for an act relating to unemployment compensation; altering provisions with respect to the advance of federal funds; altering "triggers" relating to extended benefits; altering eligibility requirements for extended benefits; altering eligibility and disqualifying provisions for individuals whose training is approved under the Federal Trade Act of 1974; amending Minnesota Statutes 1980, Sections 268.05, Subdivision 6; 268.071, Subdivisions 1, 3, 5, and 6, and by adding subdivisions; 268.08, Subdivision 1; and 268.09, by adding a subdivision.

Referred to the Committee on Rules and Administration.

Mr. Hughes introduced—

S.F. No. 10: A bill for an act relating to education; authorizing school boards to require payment of tuition fees for summer programs which are not required for graduation and are not offered for credit toward graduation; amending Minnesota Statutes 1980, Section 120.73, Subdivision 1.

Referred to the Committee on Education.

Messrs. Davies, Tennessen and Sieloff introduced—

S.F. No. 11: A bill for an act relating to public finance; repealing and suspending authority to incur state debt; repealing Laws 1980, Chapter 610; and Laws 1981, Chapter 275.

Referred to the Committee on Finance.

Messrs. Johnson, Davies, Wegener, Ms. Berglin and Mr. Moe, R.D. introduced—

S.F. No. 12: A bill for an act relating to local government; guaranteeing the payment of certain state aids and payments to local governments for calendar year 1981; granting local governments temporary borrowing authority.

Referred to the Committee on Taxes and Tax Laws.

Mr. Luther introduced—

S.F. No. 13: A bill for an act relating to foreign corporations; providing for the increase, recalculation, or standardization of certain fees; appropriating money; amending Minnesota Statutes 1980, Sections 303.07; 303.14, Subdivisions 1, 3, and 5; 303.16, Subdivision 2; 303.21, by adding a subdivision; and 303.22; repealing Minnesota Statutes 1980, Sections 303.14, Subdivision 2; 303.15; and 303.21, Subdivision 2.

Referred to the Committee on Finance.

### MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Thursday, December 10, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD SPECIAL SESSION

#### FOURTH DAY

St. Paul, Minnesota, Thursday, December 10, 1981

The Senate met at 12:00 noon 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. Charles E. Jacobson.

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

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

The President declared a quorum present.

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

#### MEMBERS EXCUSED

Messrs. Bang, Humphrey, Kroening, Tennessen and Wegener were excused from the Session of today.

#### MOTIONS AND RESOLUTIONS

Mr. Ramstad introduced—

Senate Resolution No. 4: A Senate resolution congratulating the volleyball team from Armstrong Senior High School for winning the 1981 Class AA Girls' State High School Volleyball Championship.

Referred to the Committee on Rules and Administration.

Messrs. Ramstad and Pillsbury introduced—

Senate Resolution No. 5: A Senate resolution congratulating the football

team from Wayzata Senior High School for winning the 1981 Lake Conference North Championship.

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 and referred to the committees indicated.

Messrs. Purfeerst and Dicklich introduced—

S.F. No. 14: A bill for an act proposing an amendment to the Minnesota Constitution to repeal Article XIII, Section 5; repealing the prohibition against lotteries.

Referred to the Committee on Rules and Administration.

Messrs. Johnson; Moe, R.D.; Davies and Hanson introduced—

S.F. No. 15: A bill for an act relating to the operation and financing of state and local government; reducing the agricultural property school tax credit; reducing the homestead credit; eliminating the individual housing account provisions; providing an additional adjustment of individual income tax brackets; eliminating the deduction for excise tax paid on gasoline and special fuels; eliminating the discretion of the commissioner of revenue to adopt new depreciation methods; altering the computation of the property tax refund; increasing the excise taxes on liquor and cigarettes; extending the sales tax to sales of candy, carbonated beverages, chewing gum, and services; reducing the maximum local aid appropriation; amending Minnesota Statutes 1980, Sections 273.13, Subdivision 14a; and 340.47, Subdivisions 1, 1a, and 2; and Minnesota Statutes 1981 Supplement, Sections 124.213, Subdivision 1; 273.13, Subdivisions 6, 7, and 15b; 290.01, Subdivision 20; 290.06, Subdivision 2d; 290.09, Subdivisions 4 and 7; 290.17, Subdivision 2; 290A.03, Subdivisions 11 and 13; 290A.04, Subdivision 2; 297A.01, Subdivision 3; 297A.25, Subdivision 1; and 477A.03, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 297; repealing Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; and 52.136.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin introduced—

S.F. No. 16: A bill for an act relating to local government aid; requiring a portion of sales tax collections to be distributed for local government aid; providing for payment of local government aid; requiring the commissioner of revenue to estimate payments; authorizing cities to certify an additional levy for 1982; appropriating money; amending Minnesota Statutes 1981 Supplement, Sections 477A.014, Subdivision 1; 477A.015; and 477A.03.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Petty and Knoll introduced—

S.F. No. 17: A bill for an act relating to taxation; limiting property tax on certain homesteads; providing for replacement by state of certain revenue lost by local government units; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 273.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Benson, Ramstad and Mrs. Kronebusch introduced—

S.F. No. 18: A bill for an act relating to state government; providing for the salary reduction of certain legislative and executive branch employees; amending Minnesota Statutes 1980, Sections 3.099, Subdivision 2; and 15A.081, by adding a subdivision.

Referred to the Committee on Finance.

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

### MOTIONS AND RESOLUTIONS

Mr. Hughes moved that his name be stricken as chief author and Mr. Dieterich be added as chief author to S.F. No. 10. The motion prevailed.

Mr. Purfeerst moved that the name of Mr. Solon be added as co-author to S.F. No. 14. 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.

Mrs. Lantry and Mr. Ramstad introduced—

S.F. No. 19: A bill for an act relating to traffic offenses; prohibiting the issuance of arrest warrants for parking violations; amending Minnesota Statutes 1980, Section 171.16, by adding a subdivision.

Referred to the Committee on Rules and Administration.

Messrs. Ramstad and Benson introduced—

S.F. No. 20: A bill for an act relating to employment; providing for the salary reduction of certain executive, legislative, and judicial employees; amending Minnesota Statutes 1980, Sections 3.099, Subdivision 2; 15A.081, by adding a subdivision; and 15A.083, by adding a subdivision.

Referred to the Committee on Finance.



**MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Monday, December 14, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD SPECIAL SESSION

#### FIFTH DAY

St. Paul, Minnesota, Monday, December 14, 1981

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

Prayer was offered by the Chaplain, Rev. Winfield V. Johnson.

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

Ashbach	Dieterich	Langseth	Peterson, D.L.	Stern
Belanger	Engler	Lantry	Peterson, R.W.	Stokowski
Benson	Frank	Lessard	Petty	Stumpf
Berg	Frederick	Lindgren	Pillsbury	Tennessee
Berglin	Frederickson	Luther	Purfeerst	Ulland
Bernhagen	Humphrey	Merriam	Ramstad	Vega
Bertram	Johnson	Moe, R.D.	Renneke	Wegener
Chmielewski	Kamrath	Nelson	Rued	Willet
Dahl	Keefe	Olhof	Schmitz	
Davies	Knoll	Pehler	Setzepfandt	
Davis	Kroening	Penny	Sikorski	
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. Bang; Mrs. Brataas; Messrs. Hanson; Hughes; Knutson; Menning; Moe, D.M.; Sieloff; Solon; Taylor and Waldorf were excused from the Session of today.

#### REPORTS OF COMMITTEES

Mr. Hughes from the Committee on Education, to which was referred

S.F. No. 10: A bill for an act relating to education; authorizing school boards to require payment of tuition fees for summer programs which are not required for graduation and are not offered for credit toward graduation; amending Minnesota Statutes 1980, Section 120.73, Subdivision 1.

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 1981 Supplement, 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 biennium 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 16A.153, 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).

~~Provided, however, no allotment pursuant to an appropriation for state aids, payments, reimbursements or fund transfers to or on behalf of school districts shall be reduced pursuant to this subdivision.~~ 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.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 1, is amended to read:

Subdivision 1. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be ~~\$1,333~~ \$1,330 for foundation aid for the 1981-1982 school year. The formula allowance shall be ~~\$1,416~~ \$1,340 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 2, is amended to read:

Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. The basic maintenance mill rate shall be .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~~ .024 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.2121, Subdivision 4, is amended to read:

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. *With the exception of basic foundation aid, the equalizing factor for aids for the*

1981-82 school year shall be \$64,476 and for the 1982-83 school year shall be \$61,565.

Sec. 5. Laws 1981, Chapter 358, Article 7, Section 29, is amended to read:

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~~ June 30, 1983, 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. 6. [RECERTIFICATION OF LEVY.]

*Notwithstanding the provisions of chapter 275 or any law to the contrary, each county auditor shall recertify the October 1981 levy for basic maintenance purposes to an amount equal to the amount raised by 24 mills times the adjusted assessed valuation in the district for the preceding year for the 1982-1983 school year. This recertification is based on a basic foundation formula allowance of \$1,340 for the 1982-1983 school year. Except as otherwise provided by law, districts are not authorized to recertify any additional levies.*

Sec. 7. [CAPITAL OUTLAY FUND TRANSFER.]

*Notwithstanding the provisions of chapter 121 or any law to the contrary, in fiscal year 1983 school districts may transfer an amount not to exceed \$25 per pupil unit as defined by section 275.125, subdivision 11a, from the capital expenditure fund to the general operating fund.*

Sec. 8. [DECEMBER, 1981 AND JANUARY, 1982 EDUCATION AID PAYMENTS SUSPENDED.]

*Notwithstanding the provisions of Minnesota Statutes, Sections 16A.15 and 124.11, or any other law to the contrary, the commissioner of education may suspend payment of some or all state aids, payments, reimbursements and fund transfers from some or all school districts, public library systems, educational cooperative service units or regional management information systems in the months of December, 1981 and January, 1982. The commissioner may consider the cash flow requirements of each individual recipient when determining whether to suspend payments of any aid, payments, reimbursements or fund transfers.*

Sec. 9. [CERTIFICATION.]

*On or before December 31, 1981 and January 31, 1982, the commissioner shall certify to each recipient the amount of aids, payments, reimbursements, or fund transfers suspended pursuant to section 1. The commissioner shall issue a certificate of unpaid aids for the certified amount to be paid by February 26, 1982.*

Sec. 10. [REPAYMENT BY FEBRUARY 26, 1982.]

*Notwithstanding any law to the contrary, by February 26, 1982, the commissioner of finance shall draw warrants in favor of school districts, public library systems, educational cooperative service units or regional management information systems for any of the state aids, payments, reimbursements and fund transfers that were suspended by the commissioner of education pursuant to section 1.*

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. With the exception of foundation aid, the appropriations for fiscal year 1983 are intended to fully fund the designated percent for all programs. Any formula changes required will be made during the 1982 regular legislative session.*

*Subd. 2. [FOUNDATION AID.] For foundation aid there is appropriated:*

\$734,333,300 ..... 1982,

\$552,886,180 ..... 1983.

*The appropriation for 1982 includes \$68,500,000 for aid for fiscal year 1981 payable in fiscal year 1982, and \$665,833,300 for aid for fiscal year 1982 payable in fiscal year 1982.*

*The appropriation for 1983 includes \$66,272,400 for aid for fiscal year 1982 payable in fiscal year 1983, and \$486,613,780 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.

*The appropriation for 1982 is for 1981 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. [TRANSPORTATION AID.] For transportation aid there is appropriated:*

\$119,196,752 ..... 1982,

\$108,731,284 ..... 1983.

*(a)(1) The appropriation for 1982 includes \$10,553,000 for aid for fiscal year 1981 payable in fiscal year 1982 and \$108,293,752 for aid for fiscal year 1982 payable in fiscal year 1982.*

*(2) The appropriation for 1983 includes \$12,031,348 for aid for fiscal year 1982 payable in fiscal year 1983 and \$96,349,936 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. 5. [SPECIAL EDUCATION AID.] For special education aid, there*

is appropriated:

\$97,992,610 ..... 1982,

\$93,119,110 ..... 1983.

*The appropriation for 1982 includes \$8,670,700 for aid for fiscal year 1981 payable in fiscal year 1982, and \$89,321,910 for aid for fiscal year 1982 payable in fiscal year 1982.*

*The appropriation for 1983 includes \$9,924,700 for aid for fiscal year 1982 payable in fiscal year 1983 and \$83,194,410 for aid for fiscal year 1983 payable in fiscal year 1983.*

*Subd. 6. [SUMMER SCHOOL SPECIAL EDUCATION AID.] For special education aid for summer school programs there is appropriated:*

\$4,500,000 ..... 1982,

\$1,720,610 ..... 1983.

*The amounts appropriated for 1983 shall be expended for students whose placement during the preceding school year was at Level 5 or Level 6 as defined in the rules of the state department of education.*

*Subd. 7. [RESIDENTIAL FACILITIES AID.] For aid pursuant to section 124.32, subdivision 5, there is appropriated:*

\$578,000 ..... 1982,

\$556,060 ..... 1983.

*Subd. 8. [LIMITED ENGLISH PROFICIENCY PUPILS PROGRAM AID.] For aid to educational programs for pupils of limited English proficiency there is appropriated:*

\$2,934,440 ..... 1982,

\$2,958,330 ..... 1983.

*Subd. 9. [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:*

\$509,250 ..... 1982,

\$393,500 ..... 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. 10. [HEARING IMPAIRED SUPPORT SERVICES AID.] For payment of support services for hearing impaired persons pursuant to Minnesota Statutes 1981 Supplement, Section 121.201, there is appropriated:*

\$29,100 ..... 1982,

\$35,270 ..... 1983.

*Subd. 11. [ADULT EDUCATION AID.] For adult education aid pursuant*

to section 124.26, there is appropriated:

\$1,097,290 ..... 1982,

\$1,105,640 ..... 1983.

*The amount appropriated for fiscal year 1982 includes \$97,800 for aid for fiscal year 1981 payable in fiscal year 1982, and \$999,490 for aid for fiscal year 1982 payable in fiscal year 1982.*

*The amount appropriated for fiscal year 1983 includes \$110,060 for aid for fiscal year 1982 payable in fiscal year 1983, and \$994,580 for aid for fiscal year 1983 payable in fiscal year 1983.*

*Subd. 12. [COMMUNITY EDUCATION AID.] For community education aid, there is appropriated:*

\$3,424,100 ..... 1982,

\$2,821,760 ..... 1983.

*Subd. 13. [POST-SECONDARY VOCATIONAL INSTRUCTIONAL AID.] For post-secondary vocational instructional aid there is appropriated:*

\$51,894,460 ..... 1982,

\$51,261,860 ..... 1983.

*The appropriation for 1982 includes \$4,877,300 for aid for fiscal year 1981 payable in fiscal year 1982, and \$47,017,160 for aid for fiscal year 1982 payable in fiscal year 1982.*

*The appropriation for 1983 includes \$5,224,130 for aid for fiscal year 1982 payable in fiscal year 1983 and \$46,037,730 for aid for fiscal year 1983 payable in fiscal year 1983.*

*Subd. 14. [POST-SECONDARY VOCATIONAL SUPPLY AID.] For post-secondary vocational supply aid there is appropriated:*

\$14,848,270 ..... 1982,

\$13,075,550 ..... 1983.

*Subd. 15. [POST-SECONDARY VOCATIONAL SUPPORT SERVICES AID.] (a) For post-secondary vocational support services aid there is appropriated:*

\$16,107,350 ..... 1982,

\$10,940,180 ..... 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. 16. [POST-SECONDARY VOCATIONAL EQUIPMENT AID.] For post-secondary vocational equipment aid there is appropriated:

\$9,535,100 ..... 1982,

\$8,042,460 ..... 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. 17. [POST-SECONDARY VOCATIONAL REPAIR AND BETTERMENT AID.] For post-secondary vocational repair and betterment aid there is appropriated:

\$1,358,000 ..... 1982,

\$1,049,340 ..... 1983.

Subd. 18. [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. 19. [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. 20. [ADULT VOCATIONAL EDUCATION AID.] For adult vocational education aid there is appropriated:

\$6,667,570 ..... 1982,

\$6,322,760 ..... 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 \$5,959,970 for aid for fiscal year 1982



payable in fiscal year 1982 of which not to exceed \$192,060 is for necessary travel.

The appropriation for 1983 includes \$662,220 for aid for fiscal year 1982 payable in fiscal year 1983 of which not to exceed \$21,340 is for necessary travel. This amount also includes \$5,660,540 for aid for fiscal year 1983 payable in fiscal year 1983 of which not to exceed \$187,382 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. 21. [ENERGY MANAGEMENT FOR BUILDING OPERATORS.]** For the establishment of adult vocational programs in energy management for building operators, there is appropriated:

\$48,500 ..... 1982,

\$44,580 ..... 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 \$5,380 for aid for fiscal year 1982 payable in fiscal year 1983, and \$39,200 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. 22. [VETERAN FARMER COOPERATIVE TRAINING PROGRAMS.]** For veteran farmer cooperative training programs there is appropriated:

\$675,100 ..... 1982,

\$519,290 ..... 1983.

**Subd. 23. [SECONDARY VOCATIONAL EDUCATION AID.]** For secondary vocational education aid pursuant to section 124.573 there is appropriated:

\$21,388,590 ..... 1982,

\$17,974,530 ..... 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 \$19,100,890 for aid for fiscal year 1982 payable in fiscal year 1982 of which not to exceed \$1,500,687 is for equipment.

The appropriation for 1983 includes \$2,122,320 for aid for fiscal year 1982 payable in fiscal year 1983, of which not to exceed \$166,743 is for equipment. This amount also includes \$15,852,210 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. 24. [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:

\$2,240,720 ..... 1982,

\$2,101,680 ..... 1983.

*The appropriation for 1982 includes \$226,900 for aid for fiscal year 1981 payable in fiscal year 1982. This amount also includes \$2,013,820 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 \$223,830 for aid for fiscal year 1982 payable in fiscal year 1983. This amount also includes \$1,877,850 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. 25. [HEALTH AND DEVELOPMENTAL SCREENING PROGRAMS.] For health and developmental screening programs pursuant to sections 123.701 to 123.705, there is appropriated:*

\$1,155,850 ..... 1982,

\$947,940 ..... 1983.

*Subd. 26. [ABATEMENT AID.] For abatement aid pursuant to section 124.214, subdivision 2, there is appropriated:*

\$2,751,000 ..... 1982,

\$2,634,820 ..... 1983.

*Subd. 27. [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. 28. [CAPITAL EXPENDITURE EQUALIZATION AID.] For capital expenditure equalization aid pursuant to section 124.245, subdivision 1, there is appropriated:*

\$734,500 ..... 1982,

\$331,560 ..... 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 Minnesota Statutes 1981 Supplement, Section 124.5621, Subdivision 2.*

*Subd. 29. [SPECIAL PURPOSE CAPITAL EXPENDITURE EQUALIZATION AID.] For special purpose capital expenditure equalization aid pursuant to Minnesota Statutes 1981 Supplement, Section 124.245, Subdivision 1a, there is appropriated:*

\$51,410 ..... 1983.

*Any unexpended balance remaining from the appropriation in this subdivi-*

sion may be expended in 1983 for capital expenditure equalization aid pursuant to section 124.245, subdivision 1.

*Subd. 30. [EDUCATIONAL COOPERATIVE SERVICE UNITS.] For educational cooperative service units, there is appropriated:*

\$664,950 ..... 1982,

\$400,000 ..... 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 \$36,364 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 \$72,726 in fiscal year 1983 for general operations.*

*Subd. 31. [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 32 of this section, for food storage and transportation costs for U.S.D.A. donated commodities.*

*Subd. 32. [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. 33. [GIFTED AND TALENTED STUDENTS.] For programs for the gifted and talented pursuant to section 124.247, there is appropriated:*

\$570,650 ..... 1982,

\$479,400 ..... 1983.

*Subd. 34. [ALTERNATIVE GRANTS.] For grants made pursuant to Minnesota Statutes 1981 Supplement, Section 122.542, Subdivisions 2, 3, 4, and 7, there is appropriated:*

\$242,500 ..... 1982,

\$132,270 ..... 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. 35. [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:*

\$582,000 ..... 1982,

\$449,720 ..... 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. 36. [EARLY CHILDHOOD AND FAMILY EDUCATION.] For early childhood and family education programs pursuant to section 3.9279, there is appropriated:*

\$1,455,000 ..... 1982,

\$1,124,300 ..... 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. 37. [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:*

\$3,824,900 ..... 1982,

\$3,209,715 ..... 1983.

*Subd. 38. [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,

\$136,790 ..... 1983.

*Subd. 39. [NONPUBLIC AIDS.] For programs for nonpublic educational aid pursuant to sections 123.931 to 123.937, there is appropriated:*

\$3,986,510 ..... 1982,

\$3,393,570 ..... 1983.

*Subd. 40. [APPROPRIATION; INDIAN EDUCATION.] (a) For certain Indian education programs, there is appropriated:*

\$150,000 ..... 1982,

\$132,270 ..... 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 the fiscal year 1982 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. Up to the following amounts of the fiscal year 1983 appropriation may be distributed to the fol-*

lowing school districts: \$41,540 to Independent School District No. 309-Pine Point School; \$7,310 to Independent School District No. 166; \$11,300 to Independent School District No. 432; \$10,635 to Independent School District No. 435; \$31,905 to Independent School District No. 707; and \$29,580 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 subdivision 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. 41. [PINE POINT ELECTION.] For the purpose of reimbursing the Indian Education Committee's costs for holding the election required in Laws 1981, Chapter 358, Article VI, Section 43, 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 Laws 1981, Chapter 358, Article VI, Section 43, but in no event shall this payment exceed \$1,500.

Subd. 42. [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. 43. [CHEMICAL USE PROGRAMS.] For aid for chemical dependency programs authorized pursuant to Minnesota Statutes 1981 Supplement, Section 124.246, there is appropriated:*

*\$988,400 ..... 1982.*

*Subd. 44. [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,*

*\$1,388,220 ..... 1983.*

*Subd. 45. [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,*

*\$66,580 ..... 1983.*

*Subd. 46. [EARLY RETIREMENT INCENTIVES.] To meet the state's obligation prescribed in Minnesota Statutes 1980, Section 125.611, there is appropriated:*

*\$2,191,400 ..... 1982,*

*\$1,591,650 ..... 1983.*

*Sec. 12. [REPEALER.]*

*Minnesota Statutes 1981 Supplement, Sections 124.20, Subdivision 3; 124.781; and 275.125, Subdivision 2f are repealed. Laws 1981, Chapter 358, Article I, Section 50; Article II, Section 15; Article III, Section 21; Article IV, Section 12; Article V, Section 48; Article VI, Section 46; Article VIII, Section 20; and Laws 1981, First Special Session, Chapter 2, Sections 2 and 9 are repealed.*

*Sec. 13. [EFFECTIVE DATE.]*

*Sections 1 to 12 are effective the day following final enactment."*

*Amend the title as follows:*

*Page 1, delete lines 2 to 6, and insert:*

*"relating to education; providing for the reduction of school aids; changing formula allowances; raising the basic maintenance mill rate; establishing an equalizing factor; extending dates of exemption from public sale of certificates of indebtedness; authorizing recertification of levy; authorizing a one-time transfer of funds; delaying school aid payments; appropriating money; amending Minnesota Statutes 1981 Supplement, Sections 16A.15, Subdivision 1; 124.2121, Subdivision 4; 124.2122, Subdivisions 1 and 2; Laws 1981, Chapter 358, Article 7, Section 29; repealing Minnesota Statutes 1981 Supplement, Sections 124.20, Subdivision 3; 124.781; 275.125, Subdivision 2f; Laws 1981, Chapter 358, Article 1, Section 50; Article 2, Section 15; Article 3, Section 21; Article 4, Section 12; Article 5, Section 48; Article 6,*

Section 46; Article 8, Section 20; and Laws 1981, First Special Session, Chapter 2, Sections 2 and 9.”

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws.

Mr. Langseth moved the adoption of the foregoing committee report. The motion prevailed. Amendments adopted. Report adopted.

### MOTIONS AND RESOLUTIONS

Mr. Purfeerst moved that the name of Mr. Lessard be added as co-author to S.F. No. 14. The motion prevailed.

Mr. Petty moved that the name of Ms. Berglin be added as co-author to S.F. No. 17. The motion prevailed.

Mr. Bertram introduced—

Senate Resolution No. 6: A Senate resolution relating to extending congratulations to the Huskers Football Team from Holdingford High School for winning the 1981 Class B State High School Football Championship.

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 and referred to the committees indicated.

Mr. Humphrey, Mrs. Stokowski and Mr. Johnson introduced—

S.F. No. 21: A bill for an act relating to motor vehicles; defining vans; providing for the registration and taxation of certain vans as passenger automobiles; amending Minnesota Statutes 1980, Section 168.011, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 168.011, Subdivisions 7 and 10.

Referred to the Committee on Taxes and Tax Laws.

Mr. Menning introduced—

S.F. No. 22: A bill for an act relating to waters; limiting the rulemaking authority of the commissioner of natural resources with respect to signs posted around water aeration systems; amending Minnesota Statutes 1981 Supplement, Section 378.22, Subdivisions 1 and 2.

Referred to the Committee on Rules and Administration.

Mr. Sikorski introduced—

S.F. No. 23: A bill for an act relating to education; authorizing certain school districts in Washington County which did not qualify for the grandfather levy to make an additional levy for school maintenance purposes; amend-

ing Minnesota Statutes 1980, Section 275.125, by adding a subdivision.

Referred to the Committee on Education.

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

S.F. No. 24: A bill for an act relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983 with certain conditions; providing for a deficiency in income maintenance appropriations; providing for state scholarship and grants in aid; imposing and increasing fees; imposing various cost saving measures; authorizing attorney general to appear in civil weight enforcement actions; providing for judicial review of driving privilege revocations for failure to submit to chemical testing or exceeding prescribed alcohol concentration; changing certain provisions governing aid to families with dependent children as authorized or required by federal law; changing or adding provisions governing definitions, eligibility standards, payment levels and amounts, income disregards, budgeting methods, child support or maintenance orders; eliminating a general stepparents' support duty and coverage of the unborn; specifying medical assistance for certain pregnant women; changing calculation of certain fees paid by foreign corporations; shortening time for abandonment of unclaimed property; changing requirements for reduced transit fares for certain persons; appropriating money; amending Minnesota Statutes 1980, Sections 84B.11, Subdivision 1; 169.123, Subdivisions 5, 5a, 6, and by adding a subdivision; 176.421, Subdivision 3; 176.521, Subdivision 3, and by adding a subdivision; 184.30, Subdivision 2; 221.67; 256.12, Subdivision 14, and by adding subdivisions; 256.73, Subdivisions 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.99; 256B.07; 268.16, Subdivision 3; 278.03; 303.07; 303.13, Subdivision 1; 303.14, Subdivisions 1, 3, and 5; 303.16, Subdivisions 2 and 4; 303.17, Subdivision 4; 303.18, Subdivision 3; 303.19, Subdivisions 2 and 3; 303.21, by adding a subdivision; 303.22; 303.23, Subdivision 1; 308.06, Subdivision 4; 308.85; 317.04, Subdivisions 2 and 3; 317.36; 317.42, Subdivision 3; 317.67, Subdivision 2; 330.01, Subdivision 1; 345.32; 345.33; 345.34; 345.35; 345.36; 345.37; 345.38; 345.39; 345.41; 345.42, Subdivisions 2 and 3; 345.43, by adding a subdivision; 345.44; 345.55, Subdivision 3; 473.408, Subdivision 3; 540.152; and 543.08; Minnesota Statutes 1981 Supplement, Sections 3.9222, Subdivision 2; 15.052, Subdivision 5; 16A.123; 169.871, Subdivisions 3 and 5; 169.872, Subdivision 1; 174.31, Subdivisions 1 and 3; 176.081, Subdivision 7a; 176.131, Subdivision 10; 176.371; 176.421, Subdivisions 4 and 5; 176.521, Subdivisions 1 and 2; 204B.11, Subdivision 1; 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding a subdivision; 256B.06, Subdivision 1; 302A.901, Subdivision 2; and 518.551, Subdivision 7; Laws 1981, Chapters 356, Sections 45, 46, and 62, Subdivision 2; and 359, Section 3, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapters 5, 35, 256, and 345; repealing Minnesota Statutes 1980, Sections 174.24, Subdivision 4; 256.935, Subdivision 2; 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; 317.67, Subdivision 1; and 345.43, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 174.24, Subdivision 3a; and 257.021.

Referred to the Committee on Taxes and Tax Laws.



**MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Tuesday, December 15, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD SPECIAL SESSION

#### SIXTH DAY

St. Paul, Minnesota, Tuesday, December 15, 1981

The Senate met at 2:00 p.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. Craig Hanson.

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

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

Mrs. Brataas, Messrs. Dicklich, Keefe, Nelson, Solon and Waldorf were excused from the Session of today.

#### REPORTS OF COMMITTEES

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

S.F. No. 13: A bill for an act relating to foreign corporations; providing for the increase, recalculation, or standardization of certain fees; appropriating money; amending Minnesota Statutes 1980, Sections 303.07; 303.14, Subdivisions 1, 3, and 5; 303.16, Subdivision 2; 303.21, by adding a subdivision; and 303.22; repealing Minnesota Statutes 1980, Sections 303.14, Subdivision 2; 303.15; and 303.21, Subdivision 2.

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

follows:

Page 5, line 2, delete "other"

Page 5, delete sections 7 and 8

Page 6, line 1, delete "6 and 8" and insert "7"

Page 6, delete line 2

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "appropriating money;"

Page 1, line 7, delete "; repealing Minnesota Statutes" and insert a period

Page 1, delete lines 8 and 9

And when so amended the bill do pass.

Mr. Willet moved the adoption of the foregoing committee report. The motion prevailed. Amendments adopted. Report adopted.

### SECOND READING OF SENATE BILLS

S.F. No. 13 was read the second time.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time and referred to the committee indicated.

Mr. Penny introduced—

S.F. No. 25: A bill for an act relating to taxation; providing an exception to the property tax credits limitation; amending Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 15b.

Referred to the Committee on Taxes and Tax Laws.

### MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. moved that the Senate do now adjourn until 4:00 p.m., Wednesday, December 16, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD SPECIAL SESSION

#### SEVENTH DAY

St. Paul, Minnesota, Wednesday, December 16, 1981

The Senate met at 4:00 p.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. John H. Kemp.

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

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	Merriam	Renneke	Ulland
Bernhagen	Humphrey	Moe, R.D.	Rued	Vega
Bertram	Johnson	Nelson	Schmitz	Waldorf
Chmielewski	Kamrath	Olhoff	Setzepfandt	Willet
Dahl	Keefe	Pehler	Sieloff	
Davies	Kroening	Penny	Sikorski	
Dicklich	Kronebusch	Peterson, C.C.	Solon	
Dieterich	Langseth	Peterson, D.L.	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. Davis, Knoll and Knutson were excused from the Session of today.

#### 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. 2.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted December 16, 1981

### FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 2: A bill for an act relating to motor vehicles; defining vans and pickup trucks; providing for the registration and taxation of certain vans as passenger automobiles; correcting references to the taxation of farm trucks and commercial zone combinations; defining urban trucks; and certain collector's vehicles; including certain trucks among the motor vehicles entitled to collector license plates; amending Minnesota Statutes 1980, Sections 168.011, by adding subdivisions; 168.10, Subdivision 1c; and Minnesota Statutes 1981 Supplement, Sections 168.011, Subdivisions 7 and 10; and 168.013, Subdivisions 1c, 1e and 1i.

Mr. Moe, R.D. moved that H.F. No. 2 be laid on the table. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Mr. Humphrey moved that the name of Mr. Pehler be added as co-author to S.F. No. 21. The motion prevailed.

Mr. Benson introduced—

Senate Resolution No. 7: A Senate resolution congratulating LeRoy-Ostrander High School chapter of the Future Farmers of America upon winning the Farm Mechanics contest in both 1980 and 1981.

Referred to the Committee on Rules and Administration.

### 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. Merriam 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 and referred to the committee indicated.

Mr. Johnson, for the Committee on Taxes and Tax Laws, introduced—

S.F. No. 26: A bill for an act relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983 with certain conditions; providing for a deficiency in income maintenance appropriations; providing for state scholarships and grants in aid; imposing and

increasing fees; imposing various cost saving measures; authorizing attorney general to appear in civil weight enforcement actions; providing for judicial review of driving privilege revocations for failure to submit to chemical testing or exceeding prescribed alcohol concentration; changing certain provisions governing aid to families with dependent children as authorized or required by federal law; changing or adding provisions governing definitions, eligibility standards, payment levels and amounts, income disregards, budgeting methods, child support or maintenance orders; eliminating a general stepparents' support duty and coverage of the unborn; specifying medical assistance for certain pregnant women; changing calculation of certain fees paid by foreign corporations; shortening time for abandonment of unclaimed property; changing requirements for reduced transit fares for certain persons; providing for the reduction of school aids; changing formula allowances; raising the basic maintenance mill rate; establishing an equalizing factor; extending dates of exemption from public sale of certificates of indebtedness; authorizing recertification of levy; authorizing a one-time transfer of funds; delaying school aid payments; reducing the agricultural property school tax credit; reducing the homestead credit; providing that homestead credit applies to certain special levies; eliminating the individual housing account provisions; providing an additional adjustment of individual income tax brackets; eliminating the deduction for excise tax paid on gasoline and special fuels and for income taxes paid by corporations to other states; eliminating the discretion of the commissioner of revenue to adopt new depreciation methods; increasing the excise taxes on liquor and cigarettes; extending the sales tax to sales of candy, carbonated beverages, and chewing gum; reducing the maximum local aid appropriation; requiring payments of local aids and authorizing local borrowing in anticipation of the aids; altering the method of taxation of major oil companies; eliminating the arithmetic average from the corporate income tax allocation formula; removing the dollar limitation on state short-term borrowing; appropriating money; amending Minnesota Statutes 1980, Sections 84B.11, Subdivision 1; 169.123, Subdivisions 5, 5a, 6, and by adding a subdivision; 176.421, Subdivision 3; 176.521, by adding a subdivision; 184.30, Subdivision 2; 221.67; 256.12, Subdivision 14, and by adding subdivisions; 256.73, Subdivisions 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.99; 256B.07; 268.16, Subdivision 3; 273.13, Subdivision 14a; 278.03; 290.01, by adding a subdivision; 290.19, Subdivision 1; 297.02, by adding a subdivision; 297.13, Subdivision 1; 297.22, by adding a subdivision; 297.26; 303.07; 303.13, Subdivision 1; 303.14, Subdivisions 1, 3, and 5; 303.16, Subdivisions 2 and 4; 303.17, Subdivision 4; 303.18, Subdivision 3; 303.19, Subdivisions 2 and 3; 303.21, by adding a subdivision; 303.22; 303.23, Subdivision 1; 308.06, Subdivision 4; 308.85; 317.04, Subdivisions 2 and 3; 317.36; 317.42, Subdivision 3; 317.67, Subdivision 2; 330.01, Subdivision 1; 340.47, Subdivisions 1, 1a, and 2; 345.32; 345.33; 345.34; 345.35; 345.36; 345.37; 345.38; 345.39; 345.41; 345.42, Subdivisions 2 and 3; 345.43, by adding a subdivision; 345.44; 345.55, Subdivision 3; 473.408, Subdivision 3; 540.152; and 543.08; Minnesota Statutes 1981 Supplement, Sections 3.9222, Subdivision 2; 15.052, Subdivision 5; 16A.123; 16A.15, Subdivision 1; 16A.671, Subdivisions 3 and 5; 124.2122, Subdivisions 1, 2 and 4; 124.213, Subdivision 1; 169.871, Subdivisions 3 and 5; 169.872, Subdivision 1; 174.31, Subdivisions 1 and 3; 176.081, Subdivision 7a; 176.131, Subdivision 10; 176.371; 176.421, Subdivisions 4 and 5; 176.521, Subdivisions 1 and 2; 204B.11, Subdivision 1; 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding a subdivision; 256B.06, Subdivision 1; 273.13, Subdivisions 6, 7, and 15b; 290.01, Subdivision 20; 290.06, Subdivision 2d; 290.09, Subdivisions 1, 4

and 7; 290.091; 290.17, Subdivision 2; 290.21, Subdivision 4; 297A.25, Subdivision 1; 302A.901, Subdivision 2; 477A.03, Subdivision 2; and 518.551, Subdivision 7; and Laws 1981, Chapters 356, Sections 45, 46, and 62, Subdivision 2; 358, Article 7, Section 29; 359, Section 3, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapters 5, 35, 256, and 345; repealing Minnesota Statutes 1980, Sections 174.24, Subdivision 4; 256.935, Subdivision 2; 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; 317.67, Subdivision 1; and 345.43, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.20, Subdivision 3; 124.781; 174.24, Subdivision 3a; 257.021; 275.125, Subdivision 2f; 290.08, Subdivision 25; and 290A.04, Subdivision 2d; Laws 1981 Chapter 358, Article 1, Section 50; Article 2, Section 15; Article 3, Section 21; Article 4, Section 12; Article 5, Section 48; Article 6, Section 46; Article 8, Section 20; and Laws 1981, First Special Session, Chapter 2, Sections 2 and 9.

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

Messrs. Dahl, Hughes, Petty and Taylor introduced—

S.F. No. 27: A bill for an act relating to education; authorizing school boards to transfer interest earnings from the capital expenditure fund and the debt redemption fund to the general fund of the district.

Referred to the Committee on Education.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Hanson moved that the Senate do now adjourn until 9:00 a. m., Thursday, December 17, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD SPECIAL SESSION

#### EIGHTH DAY

St. Paul, Minnesota, Thursday, December 17, 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. James D. Gorman.

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

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	Tennessee
Berglin	Hanson	Luther	Ramstad	Ulland
Bernhagen	Hughes	Menning	Renneke	Vega
Bertram	Humphrey	Merriam	Rued	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Chmielewski	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Keefe	Olhoft	Sieloff	
Davies	Knoll	Pehler	Sikorski	
Davis	Knutson	Penny	Solon	
Dicklich	Kroening	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. Bang, Belanger, Mrs. Brataas, Messrs. Davis, Dieterich, Frank, Keefe, Knoll, Knutson, Merriam, Olhoft, Setzepfandt and Sikorski were excused from this morning's Session. Mr. Moe, D.M. was excused from the Session of today.

#### 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.



**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. 4.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted December 17, 1981

**FIRST READING OF HOUSE BILLS**

The following bill was read the first time.

H.F. No. 4: A bill for an act relating to public welfare; altering certain provisions of the program of aid to families with dependent children; redefining the term "dependent child"; expanding the definition of persons ineligible; eliminating eligibility of the unborn; requiring rules to define "special needs" for eligible pregnant women; requiring recoupment of overpayments; requiring registration of certain dependent recipients for employment services, training, and employment; restricting the earned income disregard to four months; restricting work expense disregards; specifying the amount of step-parent income to be considered available in determining need; providing for voluntary third party payments; eliminating eligibility for recipients participating in a strike; eliminating a prepaid funeral contract and reverse mortgage loan guarantees as disregarded resources; modifying the service fee for child support collection services; modifying the resource limits for recipients of aid to families with dependent children; extending medical assistance coverage to certain pregnant women; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14; 256.73, Subdivisions 3a, 5, 6, and by adding a subdivision; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.81; 256.935, Subdivision 2; 256.99; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; 256B.06, Subdivision 1; and 518.551, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 256; repealing Minnesota Statutes 1981 Supplement, Section 257.021.

Mr. Moe, R.D. moved that H.F. No. 4 be laid on the table. The motion prevailed.

**MOTIONS AND RESOLUTIONS****SUSPENSION OF RULES**

Mr. Moe, R.D. moved that S.F. No. 26 be given its second reading and that the rules of the Senate be so far suspended as to make S.F. No. 26 a Special Order for immediate consideration. The motion prevailed.

S.F. No. 26 was read the second time.

**SPECIAL ORDER**

S.F. No. 26: A bill for an act relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983 with certain conditions; providing for a deficiency in income maintenance appro-

priations; providing for state scholarships and grants in aid; imposing and increasing fees; imposing various cost saving measures; authorizing attorney general to appear in civil weight enforcement actions; providing for judicial review of driving privilege revocations for failure to submit to chemical testing or exceeding prescribed alcohol concentration; changing certain provisions governing aid to families with dependent children as authorized or required by federal law; changing or adding provisions governing definitions, eligibility standards, payment levels and amounts, income disregards, budgeting methods, child support or maintenance orders; eliminating a general stepparents' support duty and coverage of the unborn; specifying medical assistance for certain pregnant women; changing calculation of certain fees paid by foreign corporations; shortening time for abandonment of unclaimed property; changing requirements for reduced transit fares for certain persons; providing for the reduction of school aids; changing formula allowances; raising the basic maintenance mill rate; establishing an equalizing factor; extending dates of exemption from public sale of certificates of indebtedness; authorizing recertification of levy; authorizing a one-time transfer of funds; delaying school aid payments; reducing the agricultural property school tax credit; reducing the homestead credit; providing that homestead credit applies to certain special levies; eliminating the individual housing account provisions; providing an additional adjustment of individual income tax brackets; eliminating the deduction for excise tax paid on gasoline and special fuels and for income taxes paid by corporations to other states; eliminating the discretion of the commissioner of revenue to adopt new depreciation methods; increasing the excise taxes on liquor and cigarettes; extending the sales tax to sales of candy, carbonated beverages, and chewing gum; reducing the maximum local aid appropriation; requiring payments of local aids and authorizing local borrowing in anticipation of the aids; altering the method of taxation of major oil companies; eliminating the arithmetic average from the corporate income tax allocation formula; removing the dollar limitation on state short-term borrowing; appropriating money; amending Minnesota Statutes 1980, Sections 84B.11, Subdivision 1; 169.123, Subdivisions 5, 5a, 6, and by adding a subdivision; 176.421, Subdivision 3; 176.521, by adding a subdivision; 184.30, Subdivision 2; 221.67; 256.12, Subdivision 14; and by adding subdivisions; 256.73, Subdivisions 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.99; 256B.07; 268.16, Subdivision 3; 273.13, Subdivision 14a; 278.03; 290.01, by adding a subdivision; 290.19, Subdivision 1; 297.02, by adding a subdivision; 297.13, Subdivision 1; 297.22, by adding a subdivision; 297.26; 303.07; 303.13, Subdivision 1; 303.14, Subdivisions 1, 3, and 5; 303.16, Subdivisions 2 and 4; 303.17, Subdivision 4; 303.18, Subdivision 3; 303.19, Subdivisions 2 and 3; 303.21, by adding a subdivision; 303.22; 303.23, Subdivision 1; 308.06, Subdivision 4; 308.85; 317.04, Subdivisions 2 and 3; 317.36; 317.42, Subdivision 3; 317.67, Subdivision 2; 330.01, Subdivision 1; 340.47, Subdivisions 1, 1a, and 2; 345.32; 345.33; 345.34; 345.35; 345.36; 345.37; 345.38; 345.39; 345.41; 345.42, Subdivisions 2 and 3; 345.43, by adding a subdivision; 345.44; 345.55, Subdivision 3; 473.408, Subdivision 3; 540.152; and 543.08; Minnesota Statutes 1981 Supplement, Sections 3.9222, Subdivision 2; 15.052, Subdivision 5; 16A.123; 16A.15, Subdivision 1; 16A.671, Subdivisions 3 and 5; 124.2122, Subdivisions 1, 2 and 4; 124.213, Subdivision 1; 169.871, Subdivisions 3 and 5; 169.872, Subdivision 1; 174.31, Subdivisions 1 and 3; 176.081, Subdivision 7a; 176.131, Subdivision 10; 176.371; 176.421, Subdivisions 4 and 5; 176.521, Subdivisions 1 and 2; 204B.11, Subdivision 1; 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding a subdivision; 256B.06, Subdivision 1; 273.13, Subdivisions 6, 7, and 15b;

290.01, Subdivision 20; 290.06, Subdivision 2d; 290.09, Subdivisions 1, 4 and 7; 290.091; 290.17, Subdivision 2; 290.21, Subdivision 4; 297A.25; Subdivision 1; 302A.901, Subdivision 2; 477A.03, Subdivision 2; and 518.551, Subdivision 7; and Laws 1981, Chapters 356, Sections 45, 46, and 62, Subdivision 2; 358, Article 7, Section 29; 359, Section 3, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapters 5, 35, 256, and 345; repealing Minnesota Statutes 1980, Sections 174.24, Subdivision 4; 256.935, Subdivision 2; 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; 317.67, Subdivision 1; and 345.43, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.20, Subdivision 3; 124.781; 174.24, Subdivision 3a; 257.021; 275.125, Subdivision 2f; 290.08, Subdivision 25; and 290A.04, Subdivision 2d; Laws 1981 Chapter 358, Article 1, Section 50; Article 2, Section 15; Article 3, Section 21; Article 4, Section 12; Article 5, Section 48; Article 6, Section 46; Article 8, Section 20; and Laws 1981, First Special Session, Chapter 2, Sections 2 and 9.

Mr. Menning moved to amend S. F. No. 26 as follows:

Page 12, after line 18, insert:

*“Notwithstanding Laws 1981, Chapter 360, Article 1, Section 7, the commissioner of health shall not use any of the appropriations for Preventive and Personal Health to fund family planning services. The commissioner of health shall also cancel the unencumbered funds available for family planning services for fiscal year 1982.”*

Mr. Moe, R.D. moved that the amendment be laid on the table.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 40 and nays 23, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Peterson, D.L.	Solon
Bang	Frank	Lindgren	Peterson, R.W.	Spear
Berglin	Hanson	Luther	Petty	Stern
Brataas	Humphrey	Merriam	Pillsbury	Stokowski
Dahl	Johnson	Moe, R. D.	Purfeerst	Stumpf
Davies	Knoll	Nelson	Ramstad	Tennessee
Davis	Knutson	Penny	Setzepfandt	Ulland
Dicklich	Langseth	Peterson, C.C.	Sikorski	Vega

Those who voted in the negative were:

Belanger	Chmielewski	Kronebusch	Renneke	Waldorf
Benson	Frederick	Lessard	Rued	Wegner
Berg	Frederickson	Menning	Schmitz	Willet
Bernhagen	Kamrath	Olhoff	Sieloff	
Bertram	Kroening	Pehler	Taylor	

The motion prevailed.

Mr. Ashbach moved to amend S. F. No. 26 as follows:

Page 98, line 30, delete “PROPERTY, INCOME AND SALES TAXES” and insert “AIDS AND CREDITS: REDUCTIONS AND DELAYS”

Pages 104 to 116, delete sections 7 to 9

Pages 121 to 134, delete sections 11 to 19

Page 135, line 15, delete "20" and insert "8"

Page 135, line 21, delete "23 and 24" and insert "11 and 12"

Page 136, line 36, delete "23" and insert "11"

Page 137; delete lines 15 to 18

Page 137, line 19, delete "Subd. 2."

Page 137, line 23, delete "Sections 7, 11, and 25."

Page 137, delete lines 24 to 31

Page 137, delete line 32, and insert "Sections 7"

Page 137, line 33, delete "25, subdivision 2" and insert "13"

Page 137, line 34, delete "Sections 12 to 19 are effective January 1, 1982."

Renumber the sections in sequence

Pages 137 to 145, delete Article IV

Page 145, line 4, delete "V" and insert "IV"

Amend the title as follows:

Page 1, line 34, delete everything after the semicolon

Page 1, delete lines 35 to 38

Page 1, line 39, delete "other states;"

Page 1, line 41, delete everything after the semicolon

Page 1, delete line 42

Page 1, line 43, delete everything before "reducing"

Page 1, line 46, delete "altering the method of"

Page 2, delete lines 1 and 2

Page 2, line 3, delete "allocation formula;"

Page 2, delete lines 14 to 16

Page 2, delete lines 40 to 42 and insert "15b;"

Page 2, line 43, delete "Subdivision 1;"

Page 2, delete lines 55 and 56 and insert "Supplement, Sections"

Page 2, lines 58 and 59, delete "290.08, Subdivision 25;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 43, 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, R. W.	Stokowski
Bertram	Hughes	Menning	Petty	Stumpf
Chmielewski	Humphrey	Merriam	Purfeerst	Tennessee
Dahl	Johnson	Moe, R. D.	Schmitz	Vega
Davies	Knoll	Nelson	Setzepfandt	Waldorf
Davis	Kroening	Olhoft	Sikorski	Wegener
Dicklich	Langseth	Pehler	Solon	Willet
Dieterich	Lantry	Penny	Spear	
Frank	Lessard	Peterson, C. C.	Stern	

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

Mr. Sieloff moved to amend S.F. No. 26 as follows:

Page 137, line 15, delete "*Subdivision I*"

Page 137, delete lines 19 and 20

Page 137, after line 20, insert:

"Sec. 26. Minnesota Statutes 1981 Supplement, Section 290A.03, Subdivision 13, is amended to read:

Subd. 13. [PROPERTY TAXES PAYABLE.] "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's homestead before reductions made pursuant to section 273.13, subdivisions 6, 7 and 14a, but after deductions made pursuant to sections 124.213, 273.115, 273.116, 273.135 and 273.139 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.

For property taxes levied in 1981, payable 1982, "property taxes payable" shall be limited to 90 percent of that portion of the property taxes eligible for the homestead credit as determined pursuant to section 273.13, subdivision 15b."

Page 137, line 24, delete "*Subdivision I*"

Page 137, line 27, delete "subdivision 1"

Page 137, line 32, delete "Sections" and insert "Section"

Page 137, line 33, delete everything before "effective" and insert "is"

Page 137, after line 34, insert "Section 26 is effective for claims based on property taxes payable in 1982."

Renumber the remaining section

Amend the title as follows:

Page 2, line 4, after the first semicolon, insert "limiting property taxes eligible for the property tax refund;"

Page 2, line 42, after the second semicolon, insert "290A.03, Subdivision 13;"

Page 2, line 58, before "290.08," insert "and"

Page 2, line 59, delete "and 290A.04, Subdivision 2d;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 41, 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	Menning	Petty	Stumpf
Bertram	Hughes	Merriam	Purfeerst	Vega
Chmielewski	Humphrey	Moe, R. D.	Schmitz	Waldorf
Dahl	Johnson	Nelson	Setzepfandt	Wegener
Davies	Kroening	Olhoft	Sikorski	Willet
Davis	Langseth	Pehler	Solon	
Dicklich	Lantry	Penny	Spear	
Dieterich	Lessard	Peterson, C. C.	Stern	
Frank	Luther	Peterson, R. W.	Stokowski	

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

Mr. Frederickson moved to amend S.F. No. 26 as follows:

Page 98, delete lines 31 to 36

Page 99, delete lines 1 to 28

Page 99, after line 28, insert:

"Section 1. [PROPERTY TAX REFUND LIMITATION.]

*For claims based on rent paid in 1981 and thereafter, and property taxes payable in 1982 and thereafter, the commissioner of revenue shall pay 88 percent of the credits allowable under section 290A.04, subdivisions 1, 2, 2a, and 2b. The commissioner shall include with each refund a statement that the reduction is made pursuant to this section."*

Page 137, before line 22, insert:

"Section 1 is effective the day after final enactment."

Page 137, line 22, delete "F" and insert "2"

Amend the title as follows:

Page 1, line 31, delete everything after the semicolon

Page 1, line 32, delete "tax credit" and insert "limiting the property tax refund"

Page 2, line 32, delete "124.213,"

Page 2, line 33, delete "Subdivision 1;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Knutson	Pillsbury	Setzepfandt
Bang	Engler	Krönebusch	Purfeerst	Taylor
Belanger	Frederick	Langseth	Ramstad	Uiland
Benson	Frederickson	Menning	Renneke	
Berg	Kamrath	Peterson, D.L.	Rued	

Those who voted in the negative were:

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

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

Mr. Ramstad moved to amend S. F. No. 26 as follows:

Page 3, line 12, delete "(19,937,300)" and insert "(20,257,300)"

Page 3, line 12, delete "(22,527,100)" and insert "(23,167,100)"

Page 3, line 12, delete "(42,464,400)" and insert "(43,424,400)"

Page 3, line 18, delete "(42,616,200)" and insert "(42,936,200)"

Page 3, line 18, delete "(68,046,500)" and insert "(68,686,500)"

Page 3, line 18, delete "(110,662,700)" and insert "(111,622,700)"

Page 3, line 27, delete "(551,700)" and insert "(771,200)"

Page 3, line 27, delete "(1,093,900)" and insert "(1,492,900)"

Page 4, after line 35, insert:

"(15) House	
(146,250)	(292,500)
(16) Senate	
(73,250)	(146,500)"

Page 7, after line 8, insert:

“(jj) State Executive Branch and  
Constitutional Officers—salary  
reduction  
(100,500) (201,000)”

Page 146, after line 10, insert:

“ARTICLE VI  
LEGISLATIVE AND EXECUTIVE SALARIES

Section 1. Minnesota Statutes 1980, Section 3.099, Subdivision 2, is amended to read:

Subd. 2. ~~The compensation of each member of the legislature until the start of the legislative session in 1979 shall be \$8,400 per year. Commencing with the start of the legislative session in 1979, the compensation of each member of the legislature shall be \$16,500 per year. Effective January 1, 1980, the compensation of each member of the legislature will be \$18,500 per year. Provided, however, that for the period beginning January 1, 1982, and ending June 30, 1983, the compensation of each member of the legislature shall be limited to \$16,317 per year.~~

Sec. 2. Minnesota Statutes 1980, Section 15A.081, is amended by adding a subdivision to read:

*Subd. 8. [SALARY REDUCTION.] For the period beginning January 1, 1982, and ending June 30, 1983, the salary for each position listed in subdivisions 1, 6, and 7 shall be reduced by 11.8 percent.*

Sec. 3. [EFFECTIVE DATE.]

*This article is effective the day following its final enactment.”*

Amend the title as follows:

Page 2, line 4, after the first semicolon, insert “providing for the salary reduction of certain executive and legislative officials and employees;”

Page 2, line 5, after “Sections” insert “3.099, Subdivision 2; 15A.081, by adding a subdivision;”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 43, as follows:

Those who voted in the affirmative were:

Belanger	Bertram	Kamrath	Peterson, D.L.	Sicliff
Benson	Engler	Keefe	Ramstad	Taylor
Berg	Frederick	Knutson	Renneke	Ulland
Bernhagen	Frederickson	Kronebusch	Rued	

Those who voted in the negative were:

Bang	Hanson	Luther	Peterson, R. W.	Stokowski
Berglin	Hughes	Menning	Petty	Stumpf
Chmielewski	Humphrey	Merriam	Purfeerst	Tennessen
Dahl	Johnson	Moe, R. D.	Schmitz	Vega
Davies	Knoll	Nelson	Setzepfandt	Waldorf
Davis	Kroening	Olhoft	Sikorski	Wegener
Dicklich	Langseth	Pehlner	Solon	Willet
Dieterich	Lantry	Penny	Spear	
Frank	Lessard	Peterson, C.C.	Stern	

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



Mr. Moe, R.D. moved that S.F. No. 26 be laid on the table. The motion prevailed.

Mr. Moe, R.D. moved that the Senate revert to the Order of Business of Messages From the House and First Reading of House Bills. The motion prevailed.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 14.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted December 17, 1981

### FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 14: A bill for an act relating to the financing and operation of state and local government; reducing appropriations for the general legislative and executive agencies of state government; providing for transfer of appropriations between fiscal years; requiring the board of regents of the university, the state university board, the community college board and the state board for vocational education to develop plans for declining enrollment; providing that parties to administrative hearings will bear the cost of court reporters under certain circumstances; adjusting fee limitations; providing certain workers' compensation settlements are conclusively presumed reasonable; specifying the contents of certain awards or disallowances of workers' compensation; modifying certain procedures for appeals of workers' compensation orders; modifying approval by the commissioner of labor and industry of the settlement of certain workers' compensation claims; eliminating the requirement that the commissioner of veterans affairs provide certain grave markers; reducing the period within which property is presumed abandoned; reducing certain pension contributions for state employees; increasing the property tax mill rate of the transit taxing district; providing for the use of certain appropriations to discharge workers' compensation and unemployment compensation obligations; authorizing the transfer of certain funds from the salary supplement; repealing review of administrative rules for business licenses; authorizing the transfer of certain funds appropriated to the higher education coordinating board for obligations under interstate tuition reciprocity agreements; appropriating money; altering the recognition of school district tax revenue; reducing state aids for education in fiscal year 1983 by 93 percent of the amount of the June, 1983 school district tax settlements; requiring payment of 70 percent of the estimated school district tax receipts within 15 days after the settlement date; establishing a cash flow loan fund; reducing education aid appropriations for fiscal year 1983; requiring the commissioner of finance to pay by February 26, 1982 any payments that were suspended; guaranteeing the payment of certain state aids and payments to local governments for calendar year 1981; granting local governments temporary borrowing authority; authorizing the commissioner of education to suspend certain education aids in December, 1981 and January, 1982; authorizing the commissioner of education to con-

sider cash flow requirements of each recipient in determining whether to suspend education aids; requiring the commissioner to issue certificates of aid; limiting inflation adjustments of the income tax brackets, credits, and maximum standard deduction under certain circumstances; prohibiting the commissioner of revenue from adopting certain depreciation schedules by rule; clarifying the application of the taxable net income adjustment factor to fiscal year taxpayers and its computation for 1981; modifying the inflation adjustment of the income tax brackets and the computation of the taxable net income adjustment factor; altering the method of taxing the income of certain oil companies by prohibiting their use of certain deductions and requiring the use of combined worldwide income; eliminating the use of the arithmetic average allocation formula for major oil companies; reducing the appropriations for local government aids; providing that farm income is wholly apportioned to Minnesota; amending Minnesota Statutes 1980, Sections 121.904, by adding a subdivision; 176.421, Subdivision 3; 176.521, as amended; 197.23; 276.11; 290.01, by adding a subdivision; 290.19, Subdivision 1; 345.32; 345.33; 345.34; 345.37; 345.38; 345.39; 352.04, Subdivisions 2 and 3; 352.92, Subdivisions 1 and 2; 352D.09, Subdivision 7; Minnesota Statutes 1981 Supplement, Sections 15.052, Subdivision 5; 16A.128; 124.2121, Subdivision 5; 176.081, Subdivision 7a; 176.371; 176.421, Subdivisions 4 and 5; 290.06, Subdivision 2d, and by adding a subdivision; 290.09, Subdivisions 1 and 7; 290.091; 290.17, Subdivision 2; 290.18, Subdivision 4, and by adding a subdivision; 290.21, Subdivision 4; 352D.04, Subdivision 2; 477A.03, Subdivision 2; Laws 1981, Chapters 356, Sections 45, 46, and 62; 359, Section 3, Subdivision 3; First Special Session, Chapter 1, Article I, Section 5; proposing new law coded in Chapter 124; repealing Minnesota Statutes 1980, Section 121.904, Subdivision 4; and Minnesota Statutes 1981 Supplement, Sections 3.965, Subdivision 6; and 362.453.

### 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. 14 and that the rules of the Senate be so far suspended as to give H. F. No. 14 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 14 was read the second time.

Mr. Johnson moved to amend H.F. No. 14 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 14, and insert the language after the enacting clause, and the title, of S.F. No. 26, as introduced.

The motion prevailed. So the amendment was adopted.

H.F. No. 14 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ashbach	Bernhagen	Frederick	Kronebusch	Renneke
Bang	Bertram	Frederickson	Lindgren	Rued
Belanger	Brataas	Kamrath	Peterson, D. L.	Sieloff
Benson	Davis	Keefe	Pillsbury	Taylor
Berg	Engler	Knutsen	Ramstad	Ulland

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.

Without objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 14.

H.F. No. 14: A bill for an act relating to the financing and operation of state and local government; reducing appropriations for the general legislative and executive agencies of state government; providing for transfer of appropriations between fiscal years; requiring the board of regents of the university, the state university board, the community college board and the state board for vocational education to develop plans for declining enrollment; providing that parties to administrative hearings will bear the cost of court reporters under certain circumstances; adjusting fee limitations; providing certain workers' compensation settlements are conclusively presumed reasonable; specifying the contents of certain awards or disallowances of workers' compensation; modifying certain procedures for appeals of workers' compensation orders; modifying approval by the commissioner of labor and industry of the settlement of certain workers' compensation claims; eliminating the requirement that the commissioner of veterans affairs provide certain grave markers; reducing the period within which property is presumed abandoned; reducing certain pension contributions for state employees; increasing the property tax mill rate of the transit taxing district; providing for the use of certain appropriations to discharge workers' compensation and unemployment compensation obligations; authorizing the transfer of certain funds from the salary supplement; repealing review of administrative rules for business licenses; authorizing the transfer of certain funds appropriated to the higher education coordinating

board for obligations under interstate tuition reciprocity agreements; appropriating money; altering the recognition of school district tax revenue; reducing state aids for education in fiscal year 1983 by 93 percent of the amount of the June, 1983 school district tax settlements; requiring payment of 70 percent of the estimated school district tax receipts within 15 days after the settlement date; establishing a cash flow loan fund; reducing education aid appropriations for fiscal year 1983; requiring the commissioner of finance to pay by February 26, 1982 any payments that were suspended; guaranteeing the payment of certain state aids and payments to local governments for calendar year 1981; granting local governments temporary borrowing authority; authorizing the commissioner of education to suspend certain education aids in December, 1981 and January, 1982; authorizing the commissioner of education to consider cash flow requirements of each recipient in determining whether to suspend education aids; requiring the commissioner to issue certificates of aid; limiting inflation adjustments of the income tax brackets, credits, and maximum standard deduction under certain circumstances; prohibiting the commissioner of revenue from adopting certain depreciation schedules by rule; clarifying the application of the taxable net income adjustment factor to fiscal year taxpayers and its computation for 1981; modifying the inflation adjustment of the income tax brackets and the computation of the taxable net income adjustment factor; altering the method of taxing the income of certain oil companies by prohibiting their use of certain deductions and requiring the use of combined worldwide income; eliminating the use of the arithmetic average allocation formula for major oil companies; reducing the appropriations for local government aids; providing that farm income is wholly apportioned to Minnesota; amending Minnesota Statutes 1980, Sections 121.904, by adding a subdivision; 176.421, Subdivision 3; 176.521, as amended; 197.23; 276.11; 290.01, by adding a subdivision; 290.19, Subdivision 1; 345.32; 345.33; 345.34; 345.37; 345.38; 345.39; 352.04, Subdivisions 2 and 3; 352.92, Subdivisions 1 and 2; 352D.09, Subdivision 7; Minnesota Statutes 1981 Supplement, Sections 15.052, Subdivision 5; 16A.128; 124.2121, Subdivision 5; 176.081, Subdivision 7a; 176.371; 176.421, Subdivisions 4 and 5; 290.06, Subdivision 2d, and by adding a subdivision; 290.09, Subdivisions 1 and 7; 290.091; 290.17, Subdivision 2; 290.18, Subdivision 4, and by adding a subdivision; 290.21, Subdivision 4; 352D.04, Subdivision 2; 477A.03, Subdivision 2; Laws 1981, Chapters 356, Sections 45, 46, and 62; 359, Section 3, Subdivision 3; First Special Session, Chapter 1, Article 1, Section 5; proposing new law coded in Chapter 124; repealing Minnesota Statutes 1980, Section 121.904, Subdivision 4; and Minnesota Statutes 1981 Supplement, Sections 3.965, Subdivision 6; and 362.453.

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

Anderson, I.; Sieben, M.; Johnson, C.; Eken and Sieben, H. have been appointed as such committee on the part of the House.

House File No. 14 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 December 17, 1981

Mr. Moe, R.D. moved that the Senate accede to the request of the House for

a Conference Committee on H.F. No. 14, 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. 14: Messrs. Moe, R.D.; Hanson; Johnson; Willet and Dieterich.

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 Motions and Resolutions.

### MOTIONS AND RESOLUTIONS

Mr. Dahl moved that the name of Mr. Lessard be added as co-author to S.F. No. 27. The motion prevailed.

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Saturday, December 19, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD SPECIAL SESSION

#### NINTH DAY

St. Paul, Minnesota, Saturday, December 19, 1981

The Senate met at 11:00 a.m. and was called to order by the President.

#### RECESS

Mr. Renneke 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. Willet 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	Lessard	Petty	Stokowski
Belanger	Engler	Lindgren	Pillsbury	Stumpf
Benson	Frank	Luther	Purfeerst	Taylor
Berg	Frederickson	Menning	Ramstad	Tennessee
Berglin	Hanson	Merriam	Renneke	Ulland
Bernhagen	Hughes	Moe, R.D.	Rued	Vega
Bertram	Johnson	Nelson	Schmitz	Waldorf
Brataas	Kamrath	Olhoft	Setzepfandt	Wegener
Chmielewski	Knoll	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	

The President declared a quorum present.

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

#### MEMBERS EXCUSED

Messrs. Bang, Frederick, Humphrey, Keefe and Knutson were excused from the Session of today.

#### MOTIONS AND RESOLUTIONS

Mrs. Stokowski, Messrs. Sikorski, Chmielewski and Moe, R.D. introduced—

Senate Resolution No. 8: A Senate resolution expressing support for the people of Poland in their struggle to obtain a better way of life.

WHEREAS, for over three decades now the people of Poland have suffered under governmental repression and economic misallocations; and,

WHEREAS, the governmental and economic systems have caused continued shortages of food, fuel, and clothing; and,

WHEREAS, the dissatisfaction of the people has been shown by their spontaneous creation of the Solidarity trade union; and,

WHEREAS, Solidarity has sought, by peaceful demonstrations and negotiations with the government to lift some of the repression and resolve some of the misallocations; and,

WHEREAS, the efforts of the Solidarity union have been like a breath of fresh air to the beleaguered people of Poland; and,

WHEREAS, in response to Solidarity's efforts, and at the urging of the Union of Soviet Socialist Republics, the army of Poland has recently sought to reimpose the old repressive system by virtually turning the country into a prison; and,

WHEREAS, it is reliably reported that the people are resisting the reinstatement of repression despite threats of death, total interruption of all communications, restrictions on travel, and increased surveillance; and,

WHEREAS, many Minnesotans have Polish heritage and all care about the desire of the Polish people to live free under conditions of their own choosing; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that, on behalf of the people of this state, it expresses its solidarity with Solidarity. It urges all the people of Minnesota to publicly express their dismay with the repression of the Polish people by the military government. Furthermore, they are encouraged to contribute freely to the food drives being conducted to relieve the suffering in Poland.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the President, and that it be transmitted to the Solidarity Union in Poland.

JESZCZE POLSKA NIE ZGINEŁA KIEDY MY ŻYJEMY.

Mrs. Stokowski moved that the foregoing resolution be laid on the table. The motion prevailed.

Mrs. Stokowski moved that Senate Resolution No. 8 be taken from the table. The motion prevailed.

Mrs. Stokowski 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 until 11:00 a.m., Monday, December 21, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD SPECIAL SESSION

#### TENTH DAY

St. Paul, Minnesota, Monday, December 21, 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	Dicklich	Kroening	Penny	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	Stokowski
Berglin	Frederickson	Lindgren	Pillsbury	Stampf
Bernhagen	Hanson	Luther	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennessee
Brataas	Johnson	Merriam	Renneke	Ulland
Chmielewski	Kamrath	Moe, R.D.	Rued	Vega
Dahl	Keefe	Nelson	Schmitz	Waldorf
Davies	Knoll	Olhoft	Setzepfand	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

Messrs. Humphrey and Moe, D.M. were excused from the Session of today. Mr. Rued was excused from the Session of today from 11:00 a.m. to 12:00 noon.

#### RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 2:00 p.m. The motion prevailed.

The hour of 2:00 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.



**CALL OF THE SENATE**

Mr. Nelson 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 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. 14, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 14 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted December 21, 1981

**CONFERENCE COMMITTEE REPORT ON H.F. NO. 14**

A bill for an act relating to the financing and operation of state and local government; reducing appropriations for the general legislative and executive agencies of state government; providing for transfer of appropriations between fiscal years; requiring the board of regents of the university, the state university board, the community college board and the state board for vocational education to develop plans for declining enrollment; providing that parties to administrative hearings will bear the cost of court reporters under certain circumstances; adjusting fee limitations; providing certain workers' compensation settlements are conclusively presumed reasonable; specifying the contents of certain awards or disallowances of workers' compensation; modifying certain procedures for appeals of workers' compensation orders; modifying approval by the commissioner of labor and industry of the settlement of certain workers' compensation claims; eliminating the requirement that the commissioner of veterans affairs provide certain grave markers; reducing the period within which property is presumed abandoned; reducing certain pension contributions for state employees; increasing the property tax mill rate of the transit taxing district; providing for the use of certain appropriations to discharge workers' compensation and unemployment compensation obligations; authorizing the transfer of certain funds from the salary supplement; repealing review of administrative rules for business licenses; authorizing the transfer of certain funds appropriated to the higher education coordinating board for obligations under interstate tuition reciprocity agreements; appropriating money; altering the recognition of school district tax revenue; reducing state aids for education in fiscal year 1983 by 93 percent of the amount of the June, 1983 school district tax settlements; requiring payment of 70 percent of the estimated school district tax receipts within 15 days after the settlement date; establishing a cash flow loan fund; reducing education aid appropriations for fiscal year 1983; requiring the commissioner of finance to pay by February 26, 1982 any payments that were suspended; guaranteeing the payment of certain state aids and payments to local governments for calendar year 1981; granting local governments temporary borrowing authority; authorizing the

commissioner of education to suspend certain education aids in December, 1981 and January, 1982; authorizing the commissioner of education to consider cash flow requirements of each recipient in determining whether to suspend education aids; requiring the commissioner to issue certificates of aid; limiting inflation adjustments of the income tax brackets, credits, and maximum standard deduction under certain circumstances; prohibiting the commissioner of revenue from adopting certain depreciation schedules by rule; clarifying the application of the taxable net income adjustment factor to fiscal year taxpayers and its computation for 1981; modifying the inflation adjustment of the income tax brackets and the computation of the taxable net income adjustment factor; altering the method of taxing the income of certain oil companies by prohibiting their use of certain deductions and requiring the use of combined worldwide income; eliminating the use of the arithmetic average allocation formula for major oil companies; reducing the appropriations for local government aids; providing that farm income is wholly apportioned to Minnesota; amending Minnesota Statutes 1980, Sections 121.904, by adding a subdivision; 176.421, Subdivision 3; 176.521, as amended; 197.23; 276.11; 290.01, by adding a subdivision; 290.19, Subdivision 1; 345.32; 345.33; 345.34; 345.37; 345.38; 345.39; 352.04, Subdivisions 2 and 3; 352.92, Subdivisions 1 and 2; 352D.09, Subdivision 7; Minnesota Statutes 1981 Supplement, Sections 15.052, Subdivision 5; 16A.128; 124.2121, Subdivision 5; 176.081, Subdivision 7a; 176.371; 176.421, Subdivisions 4 and 5; 290.06, Subdivision 2d, and by adding a subdivision; 290.09, Subdivisions 1 and 7; 290.091; 290.17, Subdivision 2; 290.18, Subdivision 4, and by adding a subdivision; 290.21, Subdivision 4; 352D.04, Subdivision 2; 477A.03, Subdivision 2; Laws 1981, Chapters 356, Sections 45, 46, and 62; 359, Section 3, Subdivision 3; First Special Session, Chapter 1, Article 1, Section 5; proposing new law coded in Chapter 124; repealing Minnesota Statutes 1980, Section 121.904, Subdivision 4; and Minnesota Statutes 1981 Supplement, Sections 3.965, Subdivision 6; and 362.453.

December 21, 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. 14, 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. 14 be further amended as follows:

Delete everything after the enacting clause and insert:

#### “ARTICLE I

### STATE AGENCY APPROPRIATION REDUCTIONS

#### Section 1. [APPROPRIATION REDUCTIONS: SUMMARY.]

The sums set forth in the columns designated “APPROPRIATION REDUCTIONS” are reduced from the various general fund appropriations to the specified agencies. The figures “1982” or “1983” whenever used in this article, mean that the appropriation reductions listed are from the appropriations for the years ending either June 30, 1982 or June 30, 1983, respectively.

## SUMMARY OF REDUCTIONS BY FUNCTION

	1982	1983	TOTAL
STATE DEPARTMENTS	(\$18,692,200)	(\$18,002,600)	(\$36,694,800)
TRANSPORTATION AND OTHER AGENCIES	(3,050,900)	(5,906,400)	(8,957,300)
EDUCATION	(11,670,000)	(23,430,000)	(35,100,000)
WELFARE, CORRECTIONS, HEALTH	(6,611,400)	(10,954,500)	(17,565,900)
TOTAL	(\$40,024,500)	(\$58,293,500)	(\$98,318,000)

## APPROPRIATION REDUCTIONS

	1982	1983
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## Sec. 2. [APPROPRIATION REDUCTIONS.]

## Subdivision 1. [STATE DEPARTMENTS.]

The general fund appropriations in Laws 1981, Chapters 306, 346 and 356 as amended by Laws 1981, First Special Session, Chapter 4, Article 4, are reduced by the listed amounts:

(a) Legislature	(1,471,400)	(992,800)
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The amounts that are reduced from each appropriation are as follows:

## (1) House of Representatives

1982 1983

(1,014,000)	(-0-)
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(2) Legislative Coordinating  
Commission - General Support

(25,000)	(900)
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(3) LCC - Workers Compensation  
Study

(3,000)	(-0-)
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## (4) LCC - Transit Study

(20,000)	(-0-)
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(5) Legislative Reference  
Library

(42,500)	(48,800)
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## (6) Revisor of Statutes

(84,300)	(450,700)
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(7) Legislative Committee on  
Science and Technology

(24,700)	(125,300)
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The Legislative Committee on Science and Technology is abolished, effective March 1, 1982. Committee staff should be given consideration for employment by other legislative agencies.

(8) Advisory Council on the Economic Status of Women	(7,800)	(17,700)
(9) Great Lakes Commission	(4,400)	(4,900)
(10) Legislative Commission on Pensions and Retirement	(9,500)	(20,500)
(11) Legislative Commission on Employee Relations	(50,000)	(50,000)
(12) Legislative Commission to Review Administrative Rules	(9,900)	(11,200)
(13) Legislative Audit Commission	(1,800)	(1,800)
(14) Legislative Auditor	(174,500)	(261,000)
(b) Supreme Court	(-0-)	(-0-)
The appropriation contained in Laws 1981, Chapter 356, Section 3 for judicial district computer hardware costs is transferred to the fiscal year 1983 appropriation made in Laws 1981, Chapter 356, Section 4 for district and county judge travel costs.		
(c) Board on Judicial Standards	(-0-)	(3,000)
(d) Tax Court of Appeals	(10,000)	(10,000)
(e) Contingent Accounts - Unemployment Compensation	(350,000)	(-0-)
(f) Governor	(175,200)	(218,700)
(g) Secretary of State	(12,300)	(20,000)
(h) State Auditor	(3,000)	(3,000)

The commissioner of administration in cooperation with the commissioner of finance, the commissioner of transportation, and the state auditor is directed to review whether duplication of effort occurs between the fiscal studies unit of the department of transportation relating to local government financial reporting and the governmental information division within the office of the state auditor. By February 15, 1982, the commissioner of administration shall report to the chairmen of the house appropriations and senate finance committees what state and

local cost savings would accrue with the merger of these activities within the office of the auditor.

(i) State Treasurer	(25,000)	(25,000)
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The insurance division shall assist and cooperate with the state treasurer in examining for unclaimed property. The state treasurer may act with the authority of the insurance division in examining for unclaimed property.

(j) Attorney General	(385,700)	(425,600)
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The appropriation from the trunk highway fund in Laws 1981, Chapter 357, Section 3, for Administration and Related Services is increased by \$250,000 in the first year and \$250,000 in the second year for the purchase of legal services from the attorney general.

The sum of \$30,000 the first year and \$130,000 the second year is appropriated from the highway user tax distribution fund to the commissioner of public safety for the purchase of legal services from the attorney general relating to civil weight law enforcement.

The sum of \$315,000 the first year and \$345,000 the second year is appropriated from the general fund to the commissioner of public welfare to be used to purchase legal services from the attorney general for income maintenance programs. The commissioner of public welfare shall seek federal reimbursement for these legal costs, to be credited to the general fund.

(k) Administrative Hearings	(66,600)	(161,000)
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The appropriation reductions in this item are made after the appropriation transfers authorized by Laws 1981, Chapter 346, Section 144.

The office of administrative hearings shall station a compensation judge and necessary support staff in an office in Duluth during the biennium ending June 30, 1983.

The chief hearing examiner shall discontinue the use of court reporters who are state employees as soon as existing labor agreements allow. While there continue to be court reporters employed in the office of hearing examiners, the reporters shall

be used primarily to provide court reporter services.

After September 30, 1982, all receipts from transcript fees shall be deposited in the general fund.

(l) Administration	(1,778,400)	(1,990,200)
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The reduction for the state band shall not be more than 50 percent in the second year.

(m) Capitol Area Architectural and Planning Board	(5,000)	(5,000)
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(n) Finance	(602,700)	(623,800)
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The positions of debt management director and research scientist within the economic analysis section shall not be held vacant to make this reduction.

(o) Employee Relations	(325,800)	(332,900)
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(p) Revenue	(530,700)	(726,900)
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Walk-in taxpayer assistance shall not be reduced by more than 50 percent.

(q) Agriculture	(2,327,200)	(3,266,300)
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No more than \$343,900 the first year and \$348,900 the second year shall be reduced in the agricultural protection service program.

No more than \$124,300 in 1982 and \$211,300 in 1983 shall be reduced from the family farm security program.

\$150,000 in fiscal year 1982 and \$150,000 in fiscal year 1983 is reduced from grants to county and district agricultural societies and associations.

(r) Animal Health, Board of	(158,800)	(163,000)
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(s) Natural Resources	(3,076,900)	(3,617,100)
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Of this reduction, \$71,600 the first year and \$50,000 the second year shall be reduced from the appropriation for soil and water conservation board administrative costs.

Money appropriated from the receipts for watercraft licenses shall not be reduced and shall be expended only as authorized by Minnesota Statutes, Section 361.03.

Of the moneys appropriated to the department of natural resources, \$75,000 shall be used for a timber study.

(t) Zoological Board	(432,600)	(566,200)
(u) Water Resources Board	(-0-)	(28,000)
(v) Pollution Control Agency	(790,400)	(747,300)
(w) Waste Management Board	(147,000)	(195,000)

General fund positions of the Waste Management Board may be converted to bond fund positions when their duties are limited to duties that are authorized to be paid for with bond proceeds.

(x) Energy, Planning and Development	(896,700)	(771,000)
(y) Natural Resources Acceleration (LCMR)	(1,396,500)	(1,797,500)

This appropriation reduction was made pursuant to the recommendation of the Legislative Commission on Minnesota Resources.

(z) Labor and Industry	(279,200)	(279,200)
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The appropriation reductions in this item are made after the appropriation transfers authorized by Laws 1981, Chapter 346, Section 144.

None of this reduction shall occur in the appropriations for the special compensation fund or for peace officer death benefits.

No reduction shall be made in the appropriation for the workers' compensation program, except as necessary to provide money for the OSHA program to minimize the loss of federal matching money or where the commissioner can demonstrate that the reduction can be made because of cost savings that will not harm the workers' compensation program.

Expenditure of the monies appropriated in Laws 1981, Chapter 346, Section 144, Subdivision 7 shall not be governed by the low bid requirements of section 16.08.

(aa) Workers' Compensation Court of Appeals	(13,000)	(13,000)
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The appropriation reductions in this item are made after the appropriation transfers authorized by Laws 1981, Chapter 346, Section 144.

(bb) Mediation Services	(48,300)	(121,000)
(cc) Public Employment Relations Board	(2,500)	(3,000)
(dd) Military Affairs	(545,000)	(550,000)

(ee) Veterans Affairs	(158,900)	(166,300)
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This reduction shall not be made in direct patient care positions at the veterans homes.

Notwithstanding the provisions of Minnesota Statutes, Section 198.055, the members of the veterans advisory committee may forego the compensation provided therein.

The nondedicated receipt limitation in Laws 1981, Chapter 356, Section 36 for fiscal year 1982 is reduced by \$627,800.

(ff) Indian Affairs Intertribal Board	(13,000)	(13,000)
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(gg) Council on Black Minnesotans	(-0-)	(9,300)
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(hh) Council for the Handicapped	(36,800)	(30,800)
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(ii) Human Rights	(125,000)	(125,000)
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(jj) Council On Affairs of Spanish-Speaking People	(2,600)	(2,700)
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(kk) Housing Finance Agency	(2,500,000)	(-0-)
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The appropriation in Laws 1981, Chapter 306, Section 21, is reduced by the amount indicated.

The spending limit on cost of general administration of agency programs is reduced by \$54,300 the first year and \$54,300 the second year.

#### Subd. 2. [TRANSPORTATION AND OTHER AGENCIES.]

The general fund appropriations in Laws 1981, Chapters 346, 357, and 363, as amended by Laws 1981, First Special Session, Chapter 4, Article 4, are reduced by the listed amounts:

(a) Transportation	(944,200)	(3,403,000)
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Appropriations for Rail Service Improvement Grants are reduced by \$124,000 in the first year.

Appropriations for MTC operating grants are reduced \$2,400,000 in the second year.

Notwithstanding Laws 1981, Chapter 363, Section 55, Subdivision 1, the metropolitan transit commission may add up to a \$.15 surcharge on fares during the peak hours. The surcharge shall expire on June 30, 1983.

The metropolitan transit commission shall reduce its support staff by 50 positions below the actual level existing on De-



ember 1, 1981. Thirty-one positions shall be reduced by April 1, 1982 and the remaining 19 positions shall be reduced by July 1, 1983. Support staff includes all staff other than drivers, mechanics and security personnel.

The metropolitan transit commission is directed to prepare a report to the legislature regarding both employee benefit packages, including pension programs, and peak hour staffing practices. The report shall include projections of both short and long term costs. The report shall be submitted to the chairman of the house appropriations committee and the chairman of the senate finance committee by February 1, 1982.

The metropolitan transit commission shall not expend capital or operating funds for the purchase of articulated buses with wheelchair lifts. This restriction shall apply to any articulated buses which may be on order.

The department shall reallocate resources in order to review MTC budgets and to contract for the disbursement of funds to the metropolitan transit commission pursuant to statutory requirements.

Appropriations for private transit operators in the metropolitan area are reduced \$73,000 in the first year and \$143,000 in the second year.

Appropriations for statewide transit operating assistance are reduced \$700,000 in the first year and \$850,000 in the second year.

No reductions shall be made for metro mobility projects, the metro mobility control center, and project mobility.

Appropriations for public transit capital grants are reduced \$37,200 in the first year.

Reimbursements from the general fund to the trunk highway fund are reduced \$116,000 in the first year and \$192,200 in the second year.

Any unexpended balance of the appropriation for AMTRAK rail subsidy Duluth-Twin Cities made by Laws 1980, Chapter 614, Section 27, Clause (c) and any reimbursements or refunds of expenditures

made for the fiscal year ending June 30, 1981 are reappropriated for the subsidization of service during the biennium ending June 30, 1983.

The immediately available appropriation for AMTRAK operations made by Laws 1981, Chapter 357, Section 2, Subdivision 4, Clause (e) is reappropriated for the biennium ending June 30, 1983, and may be expended without regard to the restrictions stated therein.

(b) Public Safety (726,300) (558,700)

Reimbursements from the general fund to the trunk highway fund are reduced \$37,600 in the first year and \$38,900 in the second year.

The liquor control program shall concentrate its activities along the border areas of Minnesota.

(c) Commerce (318,900) (380,100)

Appropriations for the banking division shall be reduced \$6,300 in the first year and \$7,300 in the second year.

Appropriations for the securities and real estate division shall be reduced \$38,400 in the first year and \$67,700 in the second year.

Appropriations for the insurance division shall be reduced \$131,000 in the first year and \$13,100 in the second year. No more than seven positions shall be reduced or remain unfilled in the insurance division.

Appropriations for the office of consumer services shall be reduced \$109,400 in the first year and \$153,700 in the second year.

Appropriations for administrative services shall be reduced \$33,800 in the first year and \$138,300 in the second year.

(d) Abstractors, Board of (500) (500)

(e) Accountancy, Board of (-0-) (3,800)

(f) Architecture, Engineering and Land Surveying, Board of (18,800) (38,700)

(g) Barber Examiners, Board of (-0-) (2,700)

(h) Boxing, Board of (8,000) (11,400)

(i) Peace Officer Standards and Training, Board of (11,700) (11,800)

(j) Examiners in Watchmaking, Board of (700) (800)

The boards identified in items (d) through (h) and (j) shall hold no more than four board meetings per year, unless an emergency situation requires a special meeting:

(k) Public Utilities Commission	(20,700)	(21,600)
(l) Public Service	(33,300)	(33,400)
(m) Ethical Practices Board	(17,000)	(15,400)
(n) Minnesota Municipal Board	(20,700)	(21,000)
(o) Minnesota-Wisconsin Boundary Area Commission	(3,400)	(3,700)
(p) Uniform Laws Commission	(-0-)	(3,200)
(q) Voyageurs National Park Citizens Committee	(-0-)	(5,500)
(r) Southern Minnesota River Basin Board	(5,800)	(6,000)
(s) Minnesota Historical Society	(635,900)	(969,500)

This reduction shall not apply to the Minnesota military history museum at Fort Snelling and Camp Ripley, the Sibley House Association, government learning center, Minnesota humanities commission, Minnesota international center, and the historic grant-in-aid program to encourage local historic preservation projects.

(t) Arts, Board of the	(254,800)	(400,200)
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The amounts to be reduced from each program are as follows:

(1) Administrative Services

1982	1983
(112,100)	(154,500)

(2) Subsidies and Grants

(142,700)	(245,700)
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Of the remaining appropriations, \$758,600 in the first year and \$897,800 in the second year is for the general support one program; \$136,700 in the first year and \$157,400 in the second year is for the general support two program; \$80,600 in the first year is for the sponsor grants program; and \$685,700 in the first year and \$677,600 in the second year is for the regional program. Regional grants shall be distributed according to the formula included in the work papers adopted by the conference committee.

(u) Minnesota Humane Society	(6,200)	(-0-)
(v) County Attorneys Council	(15,100)	(-0-)
(w) Minnesota Horticultural Society	(8,900)	(9,600)
(x) Minnesota Academy of Science	(-0-)	(5,800)
(y) Science Museum of Minnesota	(-0-)	(-0-)

The appropriation for the second year shall be reduced by \$25,000. This reduction shall be reinstated on the basis of \$1 for every \$1 received from the city of Saint Paul.

### Subd. 3. [EDUCATION.]

The general fund appropriations in Laws 1981, Chapter 359, as amended by Laws 1981, First Special Session, Chapter 2, are reduced by the listed amounts:

(a) Education, Department of	(1,500,000)	(3,000,000)
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None of this reduction shall be taken from the appropriations for the Minnesota School for the Deaf or the Minnesota Braille and Sight-saving School.

(b) Higher Education Coordinating Board	(150,000)	(280,000)
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\$152,000 of the amount for 1983 is a reduction from the private college contract program. The private college contract program shall not provide funds for post baccalaureate students.

Notwithstanding any law to the contrary, if a portion of sums appropriated to the higher education coordinating board pursuant to Laws 1981, Chapter 359, Section 3, Subdivisions 3, 4, 5, 7, 8, 9 and 10 for state scholarships, nurses scholarships, state grants-in-aid, part time student subsidy, special assistance, state work study, medical student loans, AVTI tuition subsidy and private college contracts for fiscal year 1983 are refunded and unused, that portion may be transferred to meet obligations under interstate tuition reciprocity agreements. However, the higher education coordinating board shall demonstrate to the commissioner of finance that the intended level of expenditure for the programs is not reduced. In addition, transfers made may be reversed if necessary to meet the needs and objectives of affected programs.

(c) State University Board	(2,300,000)	(4,600,000)
(d) State Community College Board	(1,100,000)	(2,200,000)
(e) University of Minnesota	(6,500,000)	(13,100,000)
(f) Mayo Medical School	(120,000)	(250,000)

Subd. 4. [WELFARE, CORRECTIONS, HEALTH.]

The general fund appropriations in Laws 1981, Chapter 360, as amended by Laws 1981, First Special Session, Chapter 2, are reduced by the listed amounts:

(a) Public Welfare	(1,004,600)	(8,534,400)
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The sum of \$26,500,000 for 1982 and \$49,853,000 for 1983 is appropriated to the commissioner of public welfare for the income maintenance program.

This appropriation is available in each fiscal year as indicated only if the amounts already appropriated in Laws 1981, Chapter 360, Article I, Section 2, Subdivision 4, are insufficient to meet the costs. This appropriation is available only upon recommendation of the legislative advisory commission under Minnesota Statutes, Section 3.30.

Aid to families with dependent children and general assistance grants shall be increased by the commissioner of public welfare by seven percent on August 1, 1982, rather than July 1, 1982, unless federal statute or regulation requires otherwise.

For the rate year that begins during the fiscal year ending June 30, 1982, for each existing facility with a capacity increase of more than 25 percent but less than 50 percent for which a certificate of need has been issued on or after January 1, 1980 and for which contracts for construction had been let, and both ground breaking and construction were begun before July 1, 1981, increases in the per diem for depreciation and interest expense applicable to the new construction shall not be limited by the prevailing statutory percentage limit established by Minnesota Statutes 1981 Supplement, Section 256B.03, Subdivision 2 or the regional maximum rate. The additional amounts allowed for depreciation and interest under this provision

shall be excluded from subsequent computations of the regional maxima.

The commissioner of public welfare shall study the fiscal and programmatic impact, the number of persons who would be affected, problems and benefits to persons who would be affected, and any other effects, if the costs of providing developmental achievement services and semi-independent living services were paid through Title 19 of the Social Security Act and Minnesota Statutes, Chapter 256B. The studies shall be completed and submitted to the legislature not later than two months following final enactment of federal appropriation amounts.

The provisions of Minnesota Statutes 1980, Section 256D.22 are suspended during the fiscal year ending June 30, 1983.

(b) Economic Security	(4,719,300)	(-0-)
<p>This amount includes a reduction of \$4,189,400 the first year for the training and community services program. However, there shall be no reduction in the displaced homemakers or summer youth programs. Reductions in the vocational rehabilitation program shall be \$529,900 for the biennium.</p>		
(c) Corrections	(699,500)	(1,627,500)
<p>Notwithstanding the provisions of any other law to the contrary, the commissioner of corrections may for the purpose of maximizing the benefits of the subsidy paid to counties under Minnesota Statutes 1980, Sections 401.14 and 401.15, waive the requirements of 11 MCAR, Sections 2.006(c) and 2.007(b) that specify the percentages of the total subsidy received by each participating county that must be expended only for information systems, program evaluation, training, and education. This provision expires June 30, 1983.</p>		
(d) Sentencing Guidelines Commission	(-0-)	(1,500)
(e) Corrections Ombudsman	(-0-)	(2,300)
(f) Health	(188,000)	(788,800)

Notwithstanding any law to the contrary, the commissioner of health shall increase the fee charged for medical laboratory services to \$5.00.

The commissioner of health may charge a fee for voluntary certification of medical laboratories and environmental laboratories. The fee may be established without complying with Minnesota Statutes, Sections 15.041 to 15.052. This provision expires June 30, 1983.

The commissioner of health may charge fees for environmental laboratory services in amounts approximately equal to the costs of providing the services. The fees may be established without complying with Minnesota Statutes, Sections 15.041 to 15.052. This provision expires June 30, 1983.

Notwithstanding Laws 1981, Chapter 360, Article I, Section 14, the commissioner of health shall establish fees for licensure of health care facilities in accordance with Minnesota Statutes 1980, Section 16A.128. The statutory percentage limitation for long term care may be exceeded by the amounts of the increased license fees authorized by this provision and charged by the commissioner of health, and the increased fee amount shall be an allowed cost to the extent that the increase when added to other allowed costs exceeds the statutory limitation.

*Subd. 5. [APPROPRIATION AVAILABILITY.] If the appropriation from the general fund to an agency listed in this section in either year of the biennium ending June 30, 1983, is insufficient, upon the advance approval of the commissioner of finance the appropriation for the other year is available for it.*

*Subd. 6. [RELATION TO PRIOR REDUCTIONS.] The appropriation reductions in this section are in addition to the general reductions, general staff reductions, and other reductions made in previous appropriation acts.*

*Subd. 7. [PROGRESS REPORTS.] Each state agency whose appropriation is reduced by this section shall submit a revised spending plan to the commissioner of finance pursuant to Minnesota Statutes, Section 16A.14. The revised spending plan shall be formulated on a quarterly basis in order to permit the commissioner of finance to monitor the agency's success at meeting its spending and position reduction goals. The commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives promptly after the end*

of each quarter of any agency that has failed to meet its spending and position reduction goals for that quarter.

Sec. 3. Laws 1981, Chapter 356, Section 45, is amended to read:

Sec. 45. [WORKERS' COMPENSATION.]

The appropriations in this act for the operation of each state department or agency, except the *game and fish fund appropriations* to 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 *game and fish fund appropriations* to the department of natural resources or as may be required by an increase in the statutory level of workers' compensation benefits.

Sec. 4. Laws 1981, Chapter 356, Section 46, is amended to read:

Sec. 46. [UNEMPLOYMENT COMPENSATION.]

The appropriations in this act for the operation of each state department or agency, except the *game and fish fund appropriations* to 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 intent of the legislature not to appropriate additional money at any future time to pay unemployment compensation obligations for fiscal 1982 and 1983, except for *game and fish fund appropriations* to the department of natural resources or as may be required by an increase in the statutory level of unemployment compensation benefits.

Sec. 5. Laws 1981, Chapter 356, Section 62, Subdivision 2, is amended to read:

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. *An amount not to exceed \$12,000,000 in the second year may be transferred to agencies where attrition has not provided the necessary savings to meet the required budget reductions. In addition, transfers from an agency's salary supplement allocation in the second year may be transferred into the first year to offset unrealized budget reductions due to delays in attrition savings.*

Sec. 6. Laws 1981, Chapter 359, Section 3, Subdivision 3, is amended to read:

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 not be needed and any balance may be transferred to subdivision 6 of this section to the extent a deficiency occurs in the interstate tuition reciprocity appropriation.

Sec. 7. [PLANS FOR DECLINING ENROLLMENT.]

*Subdivision 1. [UNIVERSITY OF MINNESOTA; STATE UNIVERSITIES.] The board of regents of the University of Minnesota, and the state university board, shall each develop a plan for providing post-secondary education services under conditions of declining or reduced enrollments. Each plan shall specify the fiscal implications of declining enrollments. Each plan shall propose a strategy for adjusting the present level of facilities and services to the projected level of reduced demand. The strategies may include such methods as campus mergers, reorganizations, discontinuance of campuses or colleges, changes in system governance, and other such methods. The purpose of the plan is to reduce the cost of present facilities and services in proportion to the reduction in enrollment. Each plan shall be submitted to the legislature by January 1, 1983.*

*Subd. 2. [COMMUNITY COLLEGES; AREA VOCATIONAL-TECHNICAL INSTITUTES.] The community college board and the state board for vocational education shall continue the planning process which is currently ongoing and under discussion with legislative committees with regard to community colleges and area vocational technical institutes. One of the purposes of the planning process is to develop strategies to adjust the present cost of facilities and services to the projected level of reduced demand.*

*Subd. 3. [REVIEW AND COMMENT.] The higher education coordinating board shall review and comment on the strategies developed pursuant to subdivisions 1 and 2.*

*Subd. 4. [FACTORS.] In developing strategies for the adjustment of present facilities and services to reduced levels of demand, the boards shall consider such factors as the system's mission, the impact of such adjustments on students, short-term and long-term enrollment trends, fiscal implications, geographic accessibility to comparable institutions, availability of alternative programs, legal implications and feasibility of employee transfers.*

*Subd. 5. [STUDENT TRANSFERS.] In developing strategies for the adjustment of facilities and services to reduced levels of demand the boards shall, insofar as possible, plan to provide students with the opportunity to complete programs in their major course of study and to complete graduation requirements by transferring to other institutions. The plans should provide for full transfer of earned credits and flexibility in meeting graduation requirements to the extent possible.*

*Subd. 6. [CONSULTATION.] In the process of developing strategies for the adjustment of facilities and services to reduced levels of demand each system shall consult with the other systems and with the higher education coordinating board.*

*Subd. 7. [EMPLOYEE TRANSFER.] To the extent possible, the strategies*

*shall provide that employees whose positions will be eliminated by the adjustments will be allowed to transfer to positions in other post-secondary institutions within each system and will be given preference in new hirings. To the extent possible, the strategies shall provide for the maintenance of terms and conditions of employment provided for in any existing labor agreement and shall be implemented, to the extent possible, in a manner consistent with such labor agreements.*

Sec. 8. Minnesota Statutes 1981 Supplement, Section 3.9222, Subdivision 2, 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~~ *eight* 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~~ *four* citizens for three-year terms and ~~six~~ *four* 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. 9. [GOVERNOR TO DESIGNATE MEMBERS.]

*The governor shall designate the four citizens whose membership on the advisory council for the economic status of women will terminate because of the reduction in size of the council required by section 8. The terminations are effective January 1, 1982.*

Sec. 10. [5.12] [CERTIFICATE; CERTIFIED COPY OF DOCUMENT; FEE.]

*The secretary of state shall charge a fee of \$5 for each certificate or certification of a copy of any document filed in the office of the secretary of state.*

Sec. 11. Minnesota Statutes 1981 Supplement, Section 15.052, Subdivision 5, is amended to read:

Subd. 5. [COURT REPORTERS; AUDIO RECORDINGS.] The office of administrative hearings may maintain a court reporter system and in addition to or in lieu thereof may contract with nongovernmental 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~~ *use audio magnetic recording devices to keep the record of hearings except when there are more than two primary parties in a case and the chief hearing examiner determines that the use of a court reporter is more appropriate. If the chief hearing examiner determines that the use of a court reporter is more appropriate, the cost of the court reporter shall be paid by the*

*state. If the chief hearing examiner determines that the use of an audio magnetic recording device is more appropriate in a hearing under chapter 176, any party to that hearing may provide a court reporter at the party's expense. Court reporters provided by a party shall be selected from the chief hearing examiner's list of non-governmental sources.*

*The fee charged by a court reporter to a party shall not exceed the fee which would be charged to the state pursuant to the court reporter's contract with the state.*

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. 12. Minnesota Statutes 1981 Supplement, 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 these fees shall be reviewed at least once each six months, and, except in special fee situations as determined by the commissioner, adjustments shall be made to the end that the total fees received shall approximate the amount appropriated for the several 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 ~~110 percent~~ of the sum of all direct appropriations, *indirect costs*, transfers in, and salary supplements for that purpose for the biennium.

Sec. 13. [35.84] [FEES FOR SERVICES TO STATE FAIR.]

*The board of animal health shall charge fees to cover all direct and indirect costs of services rendered to the state agricultural society in connection with the state fair. Fee receipts shall be deposited in the state treasury and credited to the general fund.*

Sec. 14. Minnesota Statutes 1981 Supplement, Section 169.871, Subdivision 3, is amended to read:

Subd. 3. [APPEARANCES.] Notwithstanding the provisions of section 8.01, county or city attorneys ~~shall~~ *may* appear for the ~~state~~ *commissioner of public safety* in civil actions commenced under this section *at the request of the attorney general.*

Sec. 15. Minnesota Statutes 1981 Supplement, Section 169.871, Subdivision 5, is amended to read:

Subd. 5. [FINES.] Any penalty imposed and fines collected pursuant to this section shall be disposed of as provided in section 299D.03, subdivision 5, with the following exceptions:

(a) If the violation occurs in the county, *and the county attorney appears in the action*, the remaining five-eighths shall be credited to the highway user tax

distribution fund.

(b) If the violation occurs within the municipality, and the city attorney appears in the action, the remaining one-third shall be paid to the highway user tax distribution fund.

(c) *In all cases when the attorney general appears in the action, all penalties imposed and fines collected shall be credited to the highway user tax distribution fund.*

Sec. 16. Minnesota Statutes 1981 Supplement, Section 169.872, Subdivision 1, is amended to read:

Subdivision 1. [RECORD KEEPING.] A person who weighs goods before or after unloading or a person who loads or unloads goods on the basis of liquid volume measure shall keep a written record of the origin, weight and composition of each shipment, the date of loading or receipt, the name and address of the shipper, the total number of axles on the vehicle or combination of vehicles, and the registration number of the power unit or some other means of identification by which the shipment was transported. The record shall be retained for 30 days and shall be open to inspection and copying by a state law enforcement officer or motor transport representative ~~or a peace officer as defined in section 626.84, subdivision 1, clause (e)~~, except state conservation officers, upon demand. ~~For informational purposes only if inspection indicates excess weight of 2,000 pounds or more, the inspecting officer shall notify, within 30 days of inspection of the record, the person who consigned the goods for shipment.~~ No search warrant is required to inspect or copy the record. This subdivision does not apply to a person weighing goods who is not involved in the shipping, receiving and transporting of those goods.

Sec. 17. Minnesota Statutes 1981 Supplement, Section 174.24, Subdivision 3a, is amended 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. *In order to receive financial assistance, the commission shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to identify the revenues, costs, and service plan upon which the appropriation is based.*

Sec. 18. Minnesota Statutes 1981 Supplement, Section 174.31, Subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; OBJECTIVES.] A 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;~~

(b) To develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner; and

(c) To use existing public and private providers of service wherever possible, to supplement rather than replace existing service, and to increase the productivity of all special transportation vehicles available in the area.

For the purpose of this section "project" means the project established under this subdivision.

Sec. 19. Minnesota Statutes 1981 Supplement, Section 174.31, Subdivision 3, is amended to read:

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; and~~

~~(h) (g) Adopt rules by January 15, 1982, establishing criteria to be used in determining individual eligibility for special transportation services.~~

Sec. 20. Minnesota Statutes 1981 Supplement, 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 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 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 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 for the benefit of the special compensation fund a lump sum without interest deduction equal to 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.

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.

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 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, compensation judges, the workers' compensation court of appeals or district court in cases before 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, 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 for~~ The accounting, investigation, and legal ~~procedures costs~~ necessary for the administration of the programs financed by the special compensation fund shall ~~come as appropriated~~ be paid 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. 21. Minnesota Statutes 1980, Section 176.421, Subdivision 3, is amended to read:

Subd. 3. [NOTICE OF APPEAL.] The appellant *or his attorney* shall prepare and sign a written notice of appeal specifying:

- (1) the order appealed from;
- (2) that appellant appeals from the order to the workers' compensation court of appeals;
- (3) the particular finding of fact *or conclusion of law* which he claims was unwarranted by the evidence or procured by fraud, coercion, or other improper conduct; ~~and;~~
- (4) *the testimony or other part of the record of the hearing necessary to be transcribed in order for the court of appeals to consider the appeal;* ~~and,~~
- (5) any other ground upon which the appeal is taken.

Sec. 22. Minnesota Statutes 1981 Supplement, 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 chief hearing examiner *and file a copy with the commissioner;*
- (3) In order to defray the cost of the ~~transcript~~ *preparation of the record* of the proceedings appealed from, pay to the ~~chief hearing examiner state treasurer, office of administrative hearings~~ account 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 \$25; and~~

- (4) *Submit a request that the chief hearing examiner order the preparation of a transcript of that part of the hearing delineated in the notice of appeal.*

*A party who desires a transcript of more of the hearing than has been requested by the appellant shall, within five working days of service of the notice of appeal, make a request of the chief hearing examiner that the additional testimony be transcribed.*

*The party requesting the preparation of the transcript or any part is liable for the cost of preparation. The cost of a transcript prepared by a non-governmental source shall be paid directly to that source and shall not exceed the cost that the source would be able to charge the state for the same service.*

Upon a showing of cause, the chief hearing examiner may direct that a transcript be prepared without expense to the ~~appellant~~ party requesting its preparation, in which case the cost of the transcript shall be paid by the office of administrative hearings.

*All fees received by the office of administrative hearings for the preparation of the record for submission to the workers' compensation court of appeals or for the cost of transcripts prepared by the office shall be deposited in the office of administrative hearings account in the state treasury and shall be used solely for the purpose of keeping the record of hearings conducted under this chapter and the preparation of transcripts of those hearings.*

Sec. 23. Minnesota Statutes 1981 Supplement, Section 176.421, Subdivision 5, is amended to read:

Subd. 5. [TRANSCRIPT; CERTIFICATION OF THE RECORD.] When the notice of appeal has been filed with the chief hearing examiner and the ~~transcription~~ fee for the preparation of the record has been paid, the chief hearing examiner shall immediately ~~prepare~~ order the preparation of a type-written transcript of that part of the ~~proceedings~~ hearing delineated in the notice. The official reporter or other person designated by the chief hearing examiner who transcribes the proceedings shall certify to their correctness.

*If the transcript is prepared by a person who is not an employee of the office of administrative hearings, upon completion of the transcript, the original shall be filed with the chief hearing examiner.*

*When the transcript has been completed and is on file with the chief hearing examiner, he shall certify the record to the workers' compensation court of appeals and notify the commissioner of the certification.*

Sec. 24. Minnesota Statutes 1981 Supplement, 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, *where one or more of the parties is not represented by an attorney*, 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. 25. Minnesota Statutes 1981 Supplement, 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, *and the district court* shall exercise discretion in approving or disap-



proving 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 *conclusively* presumed to be reasonable, fair, and in conformity with this chapter.

Sec. 26. Minnesota Statutes 1980, Section 176.521, is amended by adding a subdivision to read:

*Subd. 2a. [SETTLEMENTS NOT SUBJECT TO APPROVAL.] When a settled case is not subject to approval, upon receipt of the stipulation for settlement, a compensation judge or a settlement judge shall immediately sign the award and file it with the commissioner. Payment pursuant to the award shall be made within 14 days after it is filed with the commissioner. The commissioner may correct mathematical or clerical errors at any time.*

Sec. 27. Minnesota Statutes 1980, Section 184.30, Subdivision 2, is amended to read:

Subd. 2. The secretary of state shall be paid a filing fee of ~~\$5~~ \$10.

Sec. 28. Minnesota Statutes 1980, Section 197.23, is amended to read:

**197.23 [MAY PROVIDE MARKERS.]**

The commissioner of veterans affairs ~~shall~~ *may*, upon the petition of any five reputable freeholders of any township or municipality, or of any patriotic or ex-servicemen's organization, procure for and furnish to the petitioners some suitable and appropriate metal socket and an appropriate marker for the grave of each and every soldier, sailor, marine, or nurse who served with honor in the forces of the United States and who is buried within the limits of the state, to be placed on the grave of such soldier, sailor, marine, or nurse for the purpose of permanently marking and designating the grave for memorial purposes.

Sec. 29. Minnesota Statutes 1981 Supplement, Section 204B.11, Subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] Except as provided by subdivision 2, a filing fee shall be paid by each candidate who files an affidavit of candidacy. The fee shall be paid at the time the affidavit is filed. The amount of the filing fee shall vary with the office sought as follows:

(a) For the office of governor, lieutenant governor, attorney general, state auditor, state treasurer, secretary of state, representative in congress, judge of the supreme court, judge of the district court, or judge of the county municipal court of Hennepin County, ~~\$100~~ \$150;

(b) For the office of senator in congress, ~~\$150~~ \$200;

(c) For office of senator or representative in the legislature, ~~\$20~~ \$50; and

(d) For a county office, ~~\$20~~ \$50.

For the office of presidential elector, and for those offices for which no compensation is provided, no filing fee is required.

The filing fees received by the county auditor shall immediately be paid to

the county treasurer. The filing fees received by the secretary of state shall immediately be paid to the state treasurer.

When an affidavit of candidacy has been filed with the appropriate filing officer and the requisite filing fee has been paid, the filing fee shall not be refunded.

Sec. 30. Minnesota Statutes 1980, Section 221.67, is amended to read:

221.67 [SERVICE OF PROCESS.]

The use of any of the public highways of this state for the transportation of persons or property for compensation by a motor carrier in interstate commerce shall be deemed an irrevocable appointment by ~~such~~ *the* carrier of the secretary of state to be his true and lawful attorney upon whom may be served all legal process in any action or proceeding brought under section 221.66 against him or his executor, administrator, personal representative, heirs, successors or assigns. ~~Such~~ *This* use is a signification of agreement by ~~said~~ *the* interstate motor carrier that any ~~such~~ process in any action against him or his executor, administrator, personal representative, heirs, successors, or assigns which is so served shall be of the same legal force and validity as if served upon him personally. ~~Such~~ Service shall be made by serving a copy thereof upon the secretary of state or by filing ~~such~~ a copy in his office, together with payment of a fee of \$10 \$15, and ~~such~~ *the* service shall be sufficient service upon the absent motor carrier; ~~provided that if notice of such the service and a copy of the process are within ten days thereafter sent by mail by the plaintiff to the defendant at his last known address and that the plaintiff's affidavit of compliance with the provisions of sections 221.61 to 221.68 is attached to the summons.~~

Sec. 31. Minnesota Statutes 1980, Section 256.12, Subdivision 14, is amended to read:

Subd. 14. [DEPENDENT CHILD.] "Dependent child," as used in sections 256.72 to 256.87 and 256.872, means a child under the age of 18 years, or a child under the age of 19 years who is regularly attending as a full time student ~~at, and is expected to complete before reaching age 19,~~ a high school, college, or university, or regularly attending as a full time student in or a secondary level course of vocational or technical training designed to fit him for gainful employment, who is found to be deprived of parental support or care by reason of the death, continued absence from the home, physical or mental incapacity of a parent, or who is a child of an unemployed father parent as that term is defined by the commissioner of public welfare, such definition to be consistent with, and not to exceed minimum standards established by the congress of the United States and the secretary of health, education and welfare human services, and whose relatives, liable under the law for his support are not able to provide adequate care and support of ~~such~~ *the* child, and who is living with his father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew, or niece in a place of residence maintained by one or more of ~~such~~ *these* relatives as his or their home.

The term "dependent child" shall also mean means a child who has been removed from the home of a relative after a judicial determination that continuance in the home would be contrary to the welfare and best interests of the

child and whose care and placement in a foster home or a private licensed child care institution is, in accordance with the rules and regulations of the commissioner, the responsibility of the state or county agency under sections 256.72 to 256.87. *This child is eligible for benefits only through the foster care and adoption assistance program contained in Title IV-E of the Social Security Act, 42 U.S.C. 670 to 676, and is not entitled to benefits under sections 256.72 to 256.87.*

Sec. 32. Minnesota Statutes 1980, Section 256.12, is amended by adding a subdivision to read:

*Subd. 20. [ASSISTANCE UNIT.] "Assistance unit" means the group of individuals whose needs or income, or both, are taken into account in determining eligibility for or the amount of a grant of assistance under sections 256.72 to 256.87.*

Sec. 33. Minnesota Statutes 1980, Section 256.12, is amended by adding a subdivision to read:

*Subd. 21. [CARETAKER RELATIVE.] "Caretaker relative" means a relative specified by rule to be an eligible relative and who exercises responsibility for the care and control of the dependent child.*

Sec. 34. Minnesota Statutes 1980, Section 256.12, is amended by adding a subdivision to read:

*Subd. 22. [PRINCIPAL EARNER.] "Principal earner" means, in a home where both parents of the dependent child live, the parent who earned the greater amount of income in the 24 month period immediately preceding the month of application.*

Sec. 35. Minnesota Statutes 1981 Supplement, 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 the 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~~ *child, relative or other member of the assistance unit* 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 or 80 contiguous acres in unplatted land; or~~

(2) Personal property of a ~~reasonable market~~ *an equity value in excess of \$400 \$1,000 for a one child recipient or \$600 for more than one child recipient the entire assistance unit*, 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 motor vehicle of an equity value not exceeding \$1,500, clothing and necessary household furniture and equipment *and other basic maintenance items essential for daily living*, ~~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 promulgated by and standards established by the commissioner of public welfare; and such prop-~~

erty that produces a net income applicable to the family's needs.

(2) Real estate not used as a home which produces net income applicable to the family's needs, 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 family's needs 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. 36. Minnesota Statutes 1980, Section 256.73, Subdivision 3a, is amended to read:

Subd. 3a. [PERSONS INELIGIBLE.] No assistance shall be given under sections 256.72 to 256.87:

(1) On behalf of any person who is receiving supplemental security income under title XVI of the social security act unless permitted by federal regulations;

(2) For any month in which the assistance unit's gross income, without application of deductions or disregards, exceeds 150 percent of the standard of need for a family of the same size and composition. If a stepparent's income is taken into account in determining need, the disregards specified in section 12 shall be applied to determine income available to the assistance unit before calculating the unit's gross income for purposes of this paragraph;

(3) To any assistance unit for any month in which any caretaker relative with whom the child is living is, on the last day of that month, participating in a strike;

(4) On behalf of any other individual in the assistance unit, nor shall the individual's needs be taken into account, for any month in which, on the last day of the month, the individual is participating in a strike;

(5) To an assistance unit if its eligibility is based on a parent's unemployment and the parent who is the principal earner, without good cause, fails or refuses to participate in the work incentive program under section 256.736, to accept employment, or to register with a public employment office, unless the principal earner is exempt from these work requirements.

Sec. 37. Minnesota Statutes 1980, Section 256.73, Subdivision 5, is amended to read:

Subd. 5. [ASSISTANCE FOR PREGNANT WOMEN.] For the purposes of sections 256.72 to 256.87, dependent children shall include the unborn assistance shall be provided to a pregnant woman with no children during the final three months of pregnancy and, insofar as possible, the provisions applicable to dependent children shall also be applicable to the unborn during the final three months of pregnancy if the woman would be eligible for assistance if the child were born and living with her as a dependent child. Payment for special needs occasioned by or resulting from pregnancy shall be provided as needed

to pregnant women eligible under the previous sentence or otherwise eligible under sections 256.72 to 256.87, according to rules promulgated by the commissioner. The commissioner of public welfare shall promulgate, pursuant to the administrative procedures act, ~~regulations~~ rules to implement this subdivision.

Sec. 38. Minnesota Statutes 1980, Section 256.73, Subdivision 6, is amended to read:

Subd. 6. [REPORTS BY RECIPIENT.] Each recipient shall complete reports as requested by the local or state agency. All ~~net earned or unearned~~ income not specifically disregarded by the social security act, the code of federal regulations, or state law, ~~and rules and regulations,~~ shall be is income applicable to the budgetary needs of the family. If any amount of aid to families with dependent children assistance is paid to a recipient thereof in excess of the payment due it ~~shall be recoverable by,~~ the local agency shall recover the overpayment in accordance with Public Law No. 97-35, Section 2318, 42 U.S.C. 602, as amended. If the agency notifies the recipient in writing of an overpayment due solely to local agency error within three months after the overpayment, The local agency may commence recovery of the overpayment during the year after the notification is received by the recipient. The written notice shall inform the recipient shall give the recipient written notice of any overpayment and of the agency's its intention to recover the overpayment. If the recipient does not pay the amount of the overpayment in part or fully to the local agency, the agency may recover the overpayment by reducing the amount of aid as follows:

(a) If the overpayment was caused by the recipient's wilful withholding of required information or wilful false statement, the aid amount may be reduced only to the extent that the reduced aid amount plus the assistance unit's liquid assets and gross income, before applying any disregards, equals not less than 90 percent of the amount payable to an assistance unit of the same composition with no income;

(b) If the overpayment was due solely to agency error, the aid amount may be reduced only to the extent that the reduced aid amount plus the assistance unit's liquid assets and income after deducting actual work expenses equals not less than 99 percent of the amount payable to an assistance unit of the same composition with no income;

(c) In all other cases, the aid amount may be reduced only to the extent that the reduced aid amount plus the assistance unit's liquid assets and income after deducting actual work expenses equals not less than 96 percent of the amount payable to an assistance unit of the same composition with no income.

Under clauses (a), (b), and (c) the amounts and standard of need shall be based on income, resources and circumstances in the month for which aid is being reduced. The recipient may appeal the agency's determination that an overpayment has occurred in accordance with section 256.045. If the amount of assistance paid to a recipient is less than the amount due, the agency shall pay the recipient a corrective payment and disregard that payment when determining the family's income and resources in the month when the payment is made and the following month. In cases where both an overpayment and an underpayment have occurred, one shall be offset against the other to correct the payment.

Sec. 39. Minnesota Statutes 1980, Section 256.736, Subdivision 3, is amended to read:

Subd. 3. [OPERATION OF PROGRAM.] To determine who shall be designated as an appropriate individual for certification to the commissioner of economic security, the commissioner of public welfare shall provide standards for county welfare agencies and human services boards consistent with the standards promulgated by the secretary of health, ~~education, and welfare~~ *human services*. County welfare agencies shall certify appropriate individuals to the commissioner of economic security and shall require that every individual, as a condition of receiving aid to families with dependent children, register for employment services, training, and employment, unless such individual is:

(1) a child who is under age 16 ~~or, a child age 16 or 17 who is attending elementary or secondary school or a secondary level vocational or technical school full time, or a full-time student age 18 who is attending a secondary school or a secondary level vocational or technical program and who is expected to complete the school or program before reaching age 19;~~

(2) a person who is ill, incapacitated or of advanced age;

(3) a person so remote from a work incentive project that his effective participation is precluded;

(4) a person whose presence in the home is required because of illness or incapacity of another member of the household;

(5) a ~~mother parent~~ *parent* or other *caretaker* relative of a child under the age of six who ~~is caring personally provides full-time care~~ *for the child;* ~~or~~

(6) ~~the mother or other female caretaker of a child if the father or another adult male relative is in the home and not excluded by clause (1), (2), (3), or (4), unless he has failed to register as required by this subdivision or has been found by the commissioner of economic security to have refused without good cause to participate under a work incentive program or accept employment a parent or other caretaker if another adult relative in the house is registered and has not, without good cause, failed or refused to participate or accept employment; or~~

(7) ~~a parent who is not the principal earner if the parent who is the principal earner is not exempt under clauses (1) to (6).~~

Any individual referred to in clause (5) shall be advised of ~~her~~ *the* option to register for employment services, training, and employment if ~~she~~ *the individual* so desires, and shall be informed of the child care services, if any, which will be available ~~to her in the event she should decide if the individual decides~~ to register.

If, after planning with a recipient, a decision is made that ~~he~~ *the recipient* must register for employment services, training, and employment, the county welfare department shall give notice in writing to the ~~individual~~ *recipient* stating that ~~he or she~~ must register with the commissioner of economic security for participation in a work incentive program and that ~~he~~ *the recipient* has a right to a fair hearing under section 256.045 with respect to the appropriateness of ~~his~~ *the* registration.

Sec. 40. Minnesota Statutes 1980, Section 256.736, Subdivision 4, is

amended to read:

Subd. 4. [CONDITIONS OF CERTIFICATION.] The commissioner of public welfare shall:

(1) Arrange for or provide any relative or child certified to the commissioner of economic security pursuant to this section with child-care services and other necessary family services;

(2) Pay ten percent of the cost of programs of training and employment established by the commissioner of economic security for persons certified hereunder;

(3) Provide that in determining a recipient's needs any monthly incentive training payment made to the recipient by the department of economic security is disregarded and the additional expenses attributable to his participation in a program are taken into account in grant determination; *and*

(4) Provide that when it has been certified by the commissioner of economic security, certification to be binding upon the commissioner of public welfare, that a relative or child certified under the work incentive program to the commissioner of economic security has been found by the commissioner, after a hearing conducted in the manner prescribed by section 268.10, subdivision 3, with the right of review in accordance with the provisions of section 268.10, subdivision 8, to have refused without good cause to participate under a work incentive program or to have refused without good cause to accept a bona fide offer of public or other employment, the county welfare departments shall provide that:

(a) If the relative makes the refusal, the relative's needs shall not be taken into account in making the grant determination, and aid for any dependent child in the family will be made in the form of vendor payments.

(b) Aid with respect to a dependent child will be denied if a child who makes the refusal is the only child receiving aid in the family.

(c) If there is more than one child receiving aid in the family, aid for the child who makes the refusal will be denied and his needs will not be taken into account in making the grant determination; *and*

(d) *Notwithstanding the other provisions of this subdivision, the county welfare department shall, for a period of 60 days after notification of the commissioner of economic security determination of refusal without cause to participate in a program of training or employment, make vendor payments on behalf of the relative specified or continue aid in the case of a child specified, if during the 60 day period the child or relative accepts counseling or other services which the county welfare department shall make available for the purpose of assisting the child or relative to participate in a program in accordance with the determination of the commissioner of economic security. If the assistance unit's eligibility is based on the principal earner's unemployment and the principal earner fails or refuses without good cause to participate or to accept employment, the entire assistance unit is ineligible for benefits under sections 256.72 to 256.87.*

Sec. 41. Minnesota Statutes 1980, Section 256.74, Subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] The amount of assistance which shall be

granted to or on behalf of any dependent child and mother or other needy eligible relative caring for such the dependent child shall be determined by the county agency with due regard to the resources and necessary expenditures of the family and the conditions existing in each case and in accordance with the rules and regulations made promulgated by the state agency commissioner and shall be sufficient, when added to all other income and support available to the child, to provide such the child with a reasonable subsistence compatible with decency and health. The amount shall be based on the method of budgeting required in Public Law No. 97-35, Section 2315, 42 U.S.C. 602, as amended and federal regulations at 45 CFR Section 233. In making its determination the county agency shall exclude disregard the following from family income:

(1) All of the earned income of each dependent child receiving aid to families with dependent children who is a full-time student or part-time student, and not a full-time employee, attending a school, college, or university, or a course of vocational or technical training designed to fit him for gainful employment;

(2) All educational grants and loans awarded pursuant to a federal law when public assistance was considered in making the award and the award was made on the basis of financial need; and that part of any other educational grant or loan which is used for educational purposes, such as tuition, fees, equipment, transportation and child care expenses necessary for school attendance; and

(3) The first \$75 of each individual's earned income. In the case of an individual not engaged in full-time employment or not employed throughout the month the commissioner shall prescribe by rule a lesser amount to be disregarded. For self-employed persons, the expenses directly related to producing goods and services and without which the goods and services could not be produced shall be disregarded pursuant to rules promulgated by the commissioner;

(4) An amount equal to the actual expenditures but not to exceed \$160 for the care of each dependent child or incapacitated individual living in the same home and receiving aid. In the case of a person not engaged in full-time employment or not employed throughout the month, the commissioner shall prescribe by rule a lesser amount to be disregarded; and

(5) The first \$30 Thirty dollars plus one-third of the remainder of the combined monthly earnings of any dependent child not included under clause (1); and any adult who is a recipient of aid for families with dependent children each individual's earned income not already disregarded for individuals found otherwise eligible to receive aid or who have received aid in one of the four months before the month of application. With respect to any month, the county welfare agency shall not disregard under this clause (2) any earned income of any person who has:

(a) Reduced his earned income without good cause within 30 days preceding any month in which an assistance payment is made; or

(b) Refused without good cause to accept an offer of suitable employment; or

(c) Left employment or reduced his earnings without good cause and applied for assistance so that he might later return to employment with the advantage of the income disregard; or

(d) Failed without good cause to make a timely report of earned income in



*accordance with rules promulgated by the commissioner of public welfare.*

Persons who are already employed and who apply for assistance shall have their needs computed with full account taken of their earned and other income. If earned and other income of the family is less than need, as determined on the basis of public assistance standards, the county agency shall determine the amount of the grant by applying the disregard of income provisions. The county agency shall not disregard earned income for persons in a family if the total monthly earned and other income exceeds their needs, unless for any one of the four preceding months their needs were met in whole or in part by a grant payment. ~~If an individual without good cause leaves employment or reduces his earnings and applies for assistance so that he might later return to employment with advantages of income disregard, he shall not have the benefit of the disregard of income provisions.~~

*The disregard of \$30 and one-third of the remainder of earned income described in clause (5) shall be applied to the individual's income for a period not to exceed four consecutive months. Any month in which the individual loses this disregard because of the provisions of clause (5)(a) to (5)(d) shall be considered as one of the four months. To again qualify for this earned income disregard, the individual must not be a recipient of aid for a period of 12 consecutive months. If an individual becomes ineligible for aid because this earned income disregard has been applied to income for four consecutive months and will no longer be applied to income, the local agency shall inform the individual of the medical assistance program, its standards of eligibility, and the circumstances under which the individual would be eligible for medical assistance.*

*(6) The commissioner shall increase the standard of need in effect on January 1, 1982 by 45 percent for each assistance unit. The maximum amount paid to an assistance unit shall be no more than 69 percent of the increased standard of need. Whenever the commissioner increases the maximum payment amount for all assistance units, the commissioner shall increase the maximum standard of need by an equal percentage.*

*To determine the amount of assistance to be paid to an assistance unit, net income shall be determined in a manner consistent with this chapter and applicable federal law. Net earned income shall be subtracted from the standard of need for an assistance unit of the appropriate size and composition to determine the grant amount, except that the grant shall not exceed the maximum payment amount for an assistance unit of the same size and composition.*

*Medical assistance eligibility for medically needy persons shall be determined according to payment standards in effect for assistance under sections 256.72 to 256.87.*

*If implementation of this clause, subdivision 1 (6), is challenged and a court of competent jurisdiction rules on the merits that it conflicts with provisions of the Social Security Act or the United States Constitution, then subdivision 1 (6) ceases to have effect and shall no longer be implemented.*

Sec. 42. Minnesota Statutes 1980, Section 256.74, is amended by adding a subdivision to read:

*Subd. 1a. [STEPPARENT'S INCOME.] In determining income available, the county agency shall take into account the remaining income of the depen-*

*dent child's stepparent who lives in the same household after disregarding:*

*(1) The first \$75 of the stepparent's gross earned income. The commissioner shall prescribe by rule lesser amounts to be disregarded for stepparents who are not engaged in full-time employment or not employed throughout the month;*

*(2) An amount for support of the stepparent and any other individuals whom the stepparent claims as dependents for tax purposes and who live in the same household but whose needs are not considered in determining eligibility for assistance under sections 256.72 to 256.87. The amount equals the standard of need for a family of the same composition as the stepparent and these other individuals;*

*(3) Amounts the stepparent actually paid to individuals not living in the same household but whom the stepparent claims as dependents for tax purposes; and*

*(4) Alimony or child support, or both, paid by the stepparent for individuals not living in the same household.*

Sec. 43. [256.851] [RULES.]

*The commissioner of public welfare shall promulgate temporary and permanent rules necessary to implement sections 31 to 48, 84, and 88.*

Sec. 44. Minnesota Statutes 1981 Supplement, Section 256.872, Subdivision 1, is amended to read:

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 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 income, regardless of source of the person obligated to pay the support or maintenance. *If the public agency responsible for child support enforcement determines that the obligor's arrearages have accumulated for more than one month, and if the agency is not pursuing another appropriate remedy, the agency shall move the district or county court for an order for withholding under this section or shall document a reason or reasons why withholding would not result in payment being made.* "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.

Sec. 45. Minnesota Statutes 1981 Supplement, Section 256.872, is amended by adding a subdivision to read:

Subd. 4. [PENALTY FOR NONCOMPLIANCE.] *If the public agency responsible for child support enforcement fails to make reasonable efforts to comply with this section and sections 518.54 to 518.66 or to show why it cannot comply within four months after receiving notice that the commissioner of public welfare has determined that the agency is not in substantial compliance with this section and sections 518.54 to 518.66, the commissioner may withhold ten percent of the state's share of the difference between the total estimated cost and the federal funds available for payment of aid under sec-*

tions 256.72 to 256.87 to all persons for which the county is the county of financial responsibility and the county shall pay the ten percent in addition to its usual share of payments, until the public agency complies.

Sec. 46. Minnesota Statutes 1980, Section 256.99, is amended to read:

256.99 [REVERSE MORTGAGE PROCEEDS DISREGARDED.]

All reverse mortgage loan proceeds received pursuant to section 47.58, including interest or earnings thereon, shall be disregarded and shall not be considered available to the borrower for purposes of determining initial or continuing eligibility for, or amount of, medical assistance or any other public assistance program, Minnesota supplemental assistance, general assistance, general assistance medical care, or a federal or state low interest loan or grant. This section applies regardless of the time elapsed since the loan was made or the disposition of the proceeds.

Sec. 47. Minnesota Statutes 1981 Supplement, 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, or a woman who is pregnant, as medically verified, and who would be eligible for public assistance if the child had been born and living with the woman, 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 80 contiguous acres in unplatted land. Occupancy or exemption shall be determined as provided in chapter 510 and applicable law, including continuing exemption by filing notice under section 510.07. 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. 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 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. 48. Minnesota Statutes 1980, Section 256B.07, is amended to read:

256B.07 [EXCEPTIONS IN DETERMINING RESOURCES.]

A local agency may, within the scope of regulations set by the commissioner of public welfare, waive the requirement of liquidation of excess assets when the liquidation would cause undue hardship. Household goods and furniture in use in the home, wearing apparel, insurance policies with cash surrender value not in excess of \$1,500 per insured person, personal property used as a regular abode by the applicant or recipient, *a prepaid funeral contract not in excess of \$750 per person plus accrued interest of not more than \$200*, and a lot in a burial plot shall not be considered as resources available to meet medical needs.

Sec. 49. Minnesota Statutes 1980, Section 268.16, Subdivision 3, is amended to read:

Subd. 3. [COLLECTION.] (1) If, after due notice, any employer defaults in any payment of contributions or interest due thereon or penalties for failure to file returns and other reports as and when required by the provisions of sections 268.03 to 268.24 or by any rule or regulation of the commissioner, the amount due shall be collected by civil action in the name of the state of Minnesota, and any money recovered ~~on account thereof~~ shall be credited to the funds provided for under the provisions of these sections. This remedy shall be in addition to ~~such other remedies as may be herein provided or otherwise provided by law,~~ and the employer adjudged in default shall pay the costs of ~~such~~ the action. Civil actions brought under this section to collect contributions, interest due thereon, or penalties from an employer shall be heard by the court at the earliest possible date. No action for the collection of contributions or interest thereon shall be commenced more than four years after the contributions have been reported by the employer or determined by the commissioner to be due and payable. In any action herein provided for, judgment shall be entered against any defendant in default for want of answer or demurrer, for the relief demanded in the complaint without proof, together with costs and disbursements, upon the filing of an affidavit of default.

No action shall be commenced for the collection of contributions with respect to wages paid for services performed prior to the effective date of a subsequent provision of law enacted prior to July 1, 1941, excluding ~~such~~ the service from coverage under sections 268.03 to 268.24.

(2) Any employing unit which is not a resident of this state and which exercises the privilege of having one or more individuals perform service for it within this state, and any resident employing unit which exercises that privilege and thereafter removes from this state, shall be deemed thereby to appoint the secretary of state as its agent and attorney for the acceptance of process in any civil action under this subdivision. In instituting ~~such~~ an action against ~~any~~ ~~such~~ the employing unit the commissioner shall cause ~~such~~ any process or notice to be filed with the secretary of state, *together with payment of a fee of*

*\$15, and such the service shall be sufficient service upon such the employing unit, and shall be of the same force and validity as if served upon it personally within this state: Provided, that the commissioner shall forthwith send notice of the service of such the process or notice, together with a copy thereof, by certified mail, return receipt requested, to such the employing unit at its last known address and such the return receipt, the commissioner's affidavit of compliance with the provisions of this section, and a copy of the notice of service, shall be appended to the original of the process filed in the court in which such the civil action is pending.*

Sec. 50. Minnesota Statutes 1980, Section 278.03, is amended to read:

278.03 [PAYMENT OF PORTION OF TAX.]

If the proceedings instituted by the filing of the petition have not been completed before the first day of June next following the filing, the petitioner shall pay to the county treasurer 50 percent of the tax levied for such year against the property involved, unless permission to continue prosecution of the petition without such payment is obtained as herein provided. If the proceedings instituted by the filing of the petition have not been completed by the next November 1, the petitioner shall pay to the county treasurer 50 percent of the unpaid balance of the taxes levied for the year against the property involved if the unpaid balance is \$2,000 or less and 80 percent of the unpaid balance if the unpaid balance is over \$2,000, unless permission to continue prosecution of the petition without payment is obtained as herein provided. The petitioner, upon ten days notice to the county attorney and to the county auditor, given at least ten days prior to the first day of June or the first day of November, may apply to the court for permission to continue prosecution of the petition without payment; and, if it is made to appear

(1) That the proposed review is to be taken in good faith;

(2) That there is probable cause to believe that the property may be held exempt from the tax levied or that the tax may be determined to be less than 50 percent of the amount levied; and

(3) That it would work a hardship upon petitioner to pay 50 percent of such the taxes due,

the court may permit the petitioner to continue prosecution of the petition without payment, or may fix a lesser amount to be paid as a condition of continuing the prosecution of the petition.

Failure to make payment of the amount required when due shall operate automatically to dismiss the petition and all proceedings thereunder unless the payment is waived by an order of the court permitting the petitioner to continue prosecution of the petition without payment. The county treasurer shall, upon request of the petitioner, issue duplicate receipts for the tax payment, one of which shall be filed by the petitioner in the proceeding.

Sec. 51. Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived

from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; 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, 1980.

The term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income 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 subdivision. For estates and trusts the adjusted gross income shall be their federal taxable income 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 subdivision and with the modification that the federal deduction for personal exemptions for trusts and estates shall not be allowed.

(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; sections 131, 133, 134, 141, 152, 156, 157, 405, and 543 of P.L. 95-600, and section 2 of P.L. 96-608 (relating to pensions, individual retirement accounts, deferred compensation plans, the sale of a residence and to conservation payments to farmers) including the amendments made to these sections in P.L. 96-222 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.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1980, shall be in effect for taxable years beginning after December 31, 1980 including 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. The provisions of P.L. 96-471 (relating to installment sales) shall be effective at the same time that they become effective for federal income tax purposes.

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) A business casualty loss if the taxpayer elected to deduct the loss on the current year's federal income tax return but had deducted the loss on the previous year's Minnesota income tax return;

(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 amount of the federal income tax overpayment shall be reported only to the extent that the amount resulted in a reduction of the tax imposed by this chapter.

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, combined, or separate Minnesota income tax returns. In the case of combined or 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 combined or 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) 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);

(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;

~~(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under section 290.08, subdivision 25;~~

~~(20)~~ (19) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10); and

~~(21)~~ (20) To the extent excluded from federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of contributions made by the city manager or administrator which is equal to the amount which would have been the city manager's or administrator's employee contribution pursuant to section 353.27, subdivision 2, if he were a member of the public employees retirement association.

(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 or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether the amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, 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) 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, 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;

(18) Minnesota exempt-interest dividends as provided by subdivision 27;

(19) A business casualty loss which the taxpayer elected to deduct on the current year's Minnesota income tax return but did not deduct on the current year's federal income tax return; and

(20) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a); and

(21) To the extent included in federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a)(20); and

~~(22) Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25.~~

(c) A modification affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954 shall be made.

In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under this chapter and at the close of the taxable year immediately preceding the effective election under this chapter 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 chapter.

(d) 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 chapter and 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 chapter.

(e) 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 (or as an offset against the sales price of property in determining gain or loss) in computing the taxable income of the estate or any person unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have the amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the 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. 52. Minnesota Statutes 1981 Supplement, Section 290.17, Subdivision 2, is amended to read:

Subd. 2. [OTHER TAXPAYERS.] In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:

(1) 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 290.25 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 290.08, subdivision 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, 409 or 409A 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) (6) All other items of gross income shall be assigned to the taxpayer's domicile.

Sec. 53. Minnesota Statutes 1981 Supplement, Section 302A.901, Subdivision 2, is amended to read:

Subd. 2. [SERVICE ON SECRETARY OF STATE; WHEN PERMITTED.] If a corporation has appointed and maintained a registered agent in this state but neither its registered agent nor an officer of the corporation can be found at the registered office, or if a corporation fails to appoint or maintain a registered agent in this state and an officer of the corporation cannot be found at the registered office, then the secretary of state is the agent of the corporation upon whom the process, notice, or demand may be served. The return of the sheriff, or the affidavit of a person not a party, that no registered agent or officer can be found at the registered office in a county is conclusive evidence that the corporation has no registered agent or officer at its registered office. Service on the secretary of state of any process, notice, or demand is deemed personal service upon the corporation and shall be made by filing with the secretary of state duplicate copies of the process, notice, or demand. The

secretary of state shall immediately forward, by ~~registered~~ certified mail, addressed to the corporation at its registered office, a copy of the process, notice, or demand. Service on the secretary of state is returnable in not less than 30 days notwithstanding a shorter period specified in the process, notice, or demand.

Sec. 54. Minnesota Statutes 1980, Section 303.07, is amended to read:

303.07 [INITIAL LICENSE FEE FEES.]

*Subdivision 1. [INITIAL FEE.] At the time of making application for a certificate of authority the foreign corporation making such the application shall pay to the state treasurer the sum of ~~\$125~~ \$150 as an initial license fee.*

*Subd. 2. [ANNUAL FEE.] The secretary of state shall collect an annual license fee from each foreign corporation holding a certificate of authority to transact business in this state. A foreign corporation shall pay \$15 per \$100,000 or fraction thereof of its Minnesota taxable net income for the last taxable year ending prior to the payment of the fee. If the taxable year ended less than 75 days before the date the fee is received by the secretary of state, the taxable net income from the preceding taxable year shall determine the fee. In no event shall the annual license fee be less than \$30. The corporation shall pay this fee by April 1 of each year.*

Sec. 55. Minnesota Statutes 1980, Section 303.13, Subdivision 1, is amended to read:

Subdivision 1. [FOREIGN CORPORATION.] A foreign corporation shall be subject to service of process, as follows:

(1) By service thereof on its registered agent;

(2) When any foreign corporation authorized to transact business in this state fails to appoint or maintain in this state a registered agent upon whom service of process may be had, or whenever any registered agent cannot be found at its registered office in this state, as shown by the return of the sheriff of the county in which the registered office is situated, or whenever any corporation withdraws from the state, or whenever the certificate of authority of any foreign corporation is revoked or canceled, service may be made by delivering to and leaving with the secretary of state, or with any deputy or clerk in the corporation department of his office, three copies thereof and a fee of ~~\$40~~ \$15; provided, that after a foreign corporation withdraws from the state, pursuant to section 303.16, service upon the corporation may be made pursuant to the provisions of this section only when based upon a liability or obligation of the corporation incurred within this state or arising out of any business done in this state by the corporation prior to the issuance of a certificate of withdrawal.

(3) If a foreign corporation makes a contract with a resident of Minnesota to be performed in whole or in part by either party in Minnesota, or if a foreign corporation commits a tort in whole or in part in Minnesota against a resident of Minnesota, such acts shall be deemed to be doing business in Minnesota by the foreign corporation and shall be deemed equivalent to the appointment by the foreign corporation of the secretary of the state of Minnesota and his successors to be its true and lawful attorney upon whom may be served all lawful process in any actions or proceedings against the foreign corporation arising from or growing out of the contract or tort. Process shall be served in duplicate upon

the secretary of state, together with a fee of \$10 \$15 and the secretary of state shall mail one copy thereof to the corporation at its last known address, and the corporation shall have 20 days within which to answer from the date of the mailing, notwithstanding any other provision of the law. The making of the contract or the committing of the tort shall be deemed to be the agreement of the foreign corporation that any process against it which is so served upon the secretary of state shall be of the same legal force and effect as if served personally on it within the state of Minnesota.

Sec. 56. Minnesota Statutes 1980, Section 303.14, Subdivision 1, is amended to read:

Subdivision 1. [FILED WITH SECRETARY OF STATE; CONTENTS.] Between January first and April first, in each year, every foreign corporation which holds a certificate of authority shall make and file with the secretary of state a report for the next preceding previous calendar year, setting forth:

(1) the name of the corporation and the state or country under the laws of which it is organized;

(2) if the name of the corporation does not end with the word "Corporation" or the word "Incorporated," or the abbreviation "Inc.," or does not contain the word "Company" or the abbreviation "Co." not immediately preceded by the word "and" or the character "&," then the name of the corporation with the word or abbreviation which it has agreed to add thereto for use in this state;

(3) the date of its incorporation and the period of its duration;

(4) the address of its principal office in the state or country under the laws of which it is organized;

(5) the address of its registered office in this state and the name of its registered agent at such address;

(6) the names and respective addresses of its directors and officers;

(7) A statement of the aggregate number of shares having par value and of shares without par value which it has authority to issue, itemized by classes and series;

(8) A statement of the aggregate number of its issued or allotted shares having par value and of shares without par value, itemized by classes and series;

(9) A statement expressing in dollars the value of all the property owned by the corporation, wherever located, and the value of all its property located within this state;

(10) A statement expressing in dollars the gross receipts of the corporation in such calendar year derived from its business operations wherever transacted, and the gross receipts of the corporation in such calendar year derived from its business operations transacted, in whole or in part, within this state; and

(11) such additional information as may be necessary or appropriate to enable the secretary of state to determine the additional license fee, if any, payable by such the corporation;

The information required by clauses (7) to (9) shall be given as of the close of the next preceding calendar year.



(8) a statement of the corporate taxable net income as stated in its Minnesota corporate income tax return that was due in the previous year; and

(9) the fee required by section 303.07, subdivision 2. This fee shall be submitted with the annual report.

Sec. 57. Minnesota Statutes 1980, Section 303.14, Subdivision 3, is amended to read:

Subd. 3. [FORMS.] ~~Such~~ The annual report shall be made on forms prescribed by the secretary of state, in two separable parts, one part setting forth the facts required by subdivision 1, clauses (1) to ~~(8)~~ (6), and the other part the facts required by subdivision 1, clauses ~~(9)~~ (7), ~~(10)~~ (8), and ~~(11)~~ (9); ~~such~~ the report shall be executed, acknowledged and verified by the president or vice-president and by the treasurer, an assistant treasurer, secretary or an assistant secretary of the corporation; or, if the corporation is in the hands of a receiver or trustee, ~~such~~ the report shall be executed on behalf of the corporation and verified by ~~such~~ the receiver or trustee.

Sec. 58. Minnesota Statutes 1980, Section 303.14, Subdivision 5, is amended to read:

Subd. 5. [DIVULGENCE OF CONTENTS FORBIDDEN.] It shall be unlawful for the secretary of state or any other public official or employee to divulge or otherwise make known in any manner any of the particulars with reference to the value of the property owned by such corporation or the amount of the gross receipts of such corporation taxable net income set forth or disclosed as a part of any annual report. Nothing herein shall be construed to prohibit the inspection of the full reports by officials and employees of this state in the performance of their duties with respect to license fees due from the corporation making ~~such~~ the report. Any person violating any of the prohibitions of this subdivision shall be guilty of a gross misdemeanor.

Sec. 59. Minnesota Statutes 1980, Section 303.16, Subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF APPLICATION.] The application for withdrawal shall set forth:

(1) the name of the corporation and the state or country under the laws of which it is organized;

(2) that it has no property located in this state and has ceased to transact business therein;

(3) that its board of directors has duly determined to surrender its authority to transact business in this state;

(4) that it revokes the authority of its registered agent in this state to accept service of process;

(5) the address to which the secretary of state shall mail a copy of any process against the corporation that may be served upon him;

(6) that it will pay to the state treasurer the amount of any additional license fees properly found by the secretary of state to be then due from such corporation; and

(7) ~~such~~ additional information as may be required or demanded by the

secretary of state to enable him to determine the additional license fees, if any, payable by ~~such the~~ corporation, the determination thereof to be made in the manner provided by section 303.15, ~~except that in computing such additional license fee the amount to be used as the value of the property of the corporation located within this state shall be the highest amount or value of such property at any time in the calendar year in which the application for withdrawal is filed~~ 303.07, subdivision 2.

Sec. 60. Minnesota Statutes 1980, Section 303.16, Subdivision 4, is amended to read:

Subd. 4. [APPROVAL; FILING.] ~~Such The~~ application for withdrawal shall be delivered to the secretary of state. Upon receipt thereof he shall examine the same, and if he finds that it conforms to the provisions of this chapter, he shall, when all license fees, filing fees, and other charges have been paid as required by law, file the same in his office and shall issue and record a certificate of withdrawal; ~~and shall thereupon transmit such certificate, together with a fee of \$1, to the county recorder of the county in which the registered office of the corporation in this state is situated, and the county recorder shall record such certificate for such fee.~~ Upon the issuance of ~~such the~~ certificate, the authority of the corporation to transact business in this state shall cease.

Sec. 61. Minnesota Statutes 1980, Section 303.17, Subdivision 4, is amended to read:

Subd. 4. [CERTIFICATE OF REVOCATION.] Upon revoking ~~such the~~ certificate of authority, the secretary of state shall:

(1) Issue a certificate of revocation, in duplicate; *and*

(2) ~~Transmit one of such certificates to the county recorder of the county in which the registered office of the corporation in this state is situated, and the county recorder shall record the same without any fee therefor; and~~

(3) ~~Mail to such the corporation, at its principal office in the state or country under the laws of which it is organized, a notice of such the revocation, accompanied by one such a certificate of revocation, and mail to such the corporation, at its registered office in this state, a notice of such the revocation.~~

Sec. 62. Minnesota Statutes 1980, Section 303.18, Subdivision 3, is amended to read:

Subd. 3. [JUDGMENT OF CANCELATION.] The attorney general shall cause two certified copies of the judgment canceling a certificate of authority to be delivered to the secretary of state. The secretary of state shall file one copy in his office, and shall transmit the other copy to the ~~county recorder of the county in which the registered office of the corporation in this state is situated. The county recorder shall record the same without any fee therefor.~~

Sec. 63. Minnesota Statutes 1980, Section 303.19, Subdivision 2, is amended to read:

Subd. 2. [FEE.] If the certificate of authority was revoked by the secretary of state pursuant to section 303.17, the corporation shall pay to the state treasurer ~~\$200~~ \$250 before it may be reinstated.

If the certificate of authority was canceled by a judgment pursuant to section

303.18, the corporation shall pay to the state treasurer \$500 before it may be reinstated.

Sec. 64. Minnesota Statutes 1980, Section 303.19, Subdivision 3, is amended to read:

Subd. 3. [CERTIFICATE OF REINSTATEMENT.] Upon the filing of ~~such the~~ application and upon payment of all penalties, fees and charges required by law, not including, ~~however,~~ an initial license fee or additional license fees to the extent that ~~the same they have theretofore previously~~ been paid by ~~such the~~ corporation, the secretary of state shall reinstate the license of ~~such the~~ corporation, and shall issue and record a certificate of reinstatement and shall transmit ~~such certificate,~~ together with a fee of \$1, to the county recorder of the county in which the registered office of the corporation in this state is situated. The county recorder shall record such certificate for such fee.

Sec. 65. Minnesota Statutes 1980, Section 303.21, is amended by adding a subdivision to read:

Subd. 3. [OTHER INSTRUMENTS.] *A fee of \$20 shall be paid to the secretary of state for filing any instrument required or permitted to be filed under the provisions of this chapter. The fee shall be paid at the time of the filing of the instrument.*

Sec. 66. Minnesota Statutes 1980, Section 303.22, is amended to read:

303.22 [APPLICABLE TO PRESENT CORPORATIONS.]

Except as in this section otherwise provided, this chapter shall be applicable to all foreign corporations heretofore or hereafter transacting business in this state.

Any foreign corporation licensed to transact business in this state when this chapter became effective, which thereafter obtains a certificate of authority, pursuant to the provisions of this section, may continue to transact business in this state pursuant to ~~such the~~ certificate of authority, using the name under which it was, on the effective date of this chapter, licensed to transact business in this state, whether or not the use of ~~such the~~ name is in violation of the provisions of section 303.05.

Nothing herein contained shall be construed to exempt ~~such the~~ foreign corporation from the obligation of making annual reports and paying additional license fees in accordance with the provisions of this chapter.

~~In computing any additional license fees for such corporation there shall be credited all license fees paid by such corporation to this state under this chapter and under any prior laws relating to the admission of foreign corporations to do business in this state.~~

Sec. 67. Minnesota Statutes 1980, Section 303.23, Subdivision 1, is amended to read:

Subdivision 1. [PRIMA FACIE EVIDENCE; RECORDING.] Any certificate issued by the secretary of state pursuant to the provisions of this chapter, and copies of ~~such the~~ certificates certified by him, shall be prima facie evidence of the matters stated therein and, ~~except certificates issued pursuant to subdivision 2,~~ may be recorded in the office of the county recorder of any county in this state.

Sec. 68. Minnesota Statutes 1980, Section 308.06, Subdivision 4, is amended to read:

Subd. 4. The original articles of incorporation, or a certified copy of them, verified by the affidavits of two of the incorporators, shall be filed with the secretary of state and a copy, certified and verified as above required, shall be recorded in the office of the county recorder of the county in which the principal place of business of the association is located. For filing the articles of incorporation, or amendments to them, with the secretary of state a fee of \$10 \$15 shall be paid to the secretary of state.

Sec. 69. Minnesota Statutes 1980, Section 308.85, is amended to read:

308.85 [FEES.]

For filing articles of incorporation, or amendments thereto, any association organized under sections ~~308.53~~ 308.29 to 308.84 shall pay ~~\$10~~ \$15.

Sec. 70. Minnesota Statutes 1980, Section 317.04, Subdivision 2, is amended to read:

Subd. 2. [ELECTION TO REJECT.] (1) When there are members with voting rights, election by a corporation to reject the provisions of sections 317.01 to 317.25 shall be by a resolution (a) approved by the board of directors at a meeting duly called for the purpose of considering it; and (b) adopted at a subsequent annual, regular, or special meeting, of which a notice stating the purpose has been duly given, by a majority vote of all members of record entitled to vote.

(2) When there are no members with voting rights, election by a corporation to reject the provisions of sections 317.01 to 317.25 shall be by a resolution adopted by a majority vote of all the directors entitled to vote at a special meeting of the board of directors, notice having been duly given.

(3) Within 15 months after April 21, 1951, the corporation shall file a copy of the adopted resolution to reject, certified by the president or vice president and the secretary or assistant secretary, accompanied by a filing fee of \$5 \$15, in the office of the secretary of state, and shall file a copy thereof, duly certified by the secretary of state, for record, accompanied by the required recording fee, in the office of the county recorder of the county in which the principal place of business of the corporation is located.

(4) The election to reject sections 317.01 to 317.25 becomes effective upon the filing for record of a copy of the adopted resolution, duly certified by the secretary of state, in the office of the county recorder only if the resolution is filed for record within the 15 month period prescribed in clause (3).

Sec. 71. Minnesota Statutes 1980, Section 317.04, Subdivision 3, is amended to read:

Subd. 3. [ELECTION TO ACCEPT.] (1) Whether or not a domestic corporation has elected to reject under subdivision 2, it may at any time accept and come under the provisions of sections 317.01 to 317.25 by adopting a resolution of acceptance by a majority vote of all the directors entitled to vote at a special meeting of the board of directors, notice having been duly given, and by certifying and filing the resolution in the manner prescribed by subdivision 2, clause (3), for effecting a rejection. For filing a resolution of acceptance the

secretary of state shall collect a fee of \$10 \$15.

(2) The election to accept sections 317.01 to 317.25 becomes effective upon the filing for record ~~(a)~~ of a copy of the adopted resolution to accept, together with articles of incorporation and amendments thereto with the secretary of state, and ~~(b) of the resolution to accept, duly certified by the secretary of state, with the county recorder of the county in which the principal place of business of the corporation is located.~~

Sec. 72. Minnesota Statutes 1980, Section 317.36, is amended to read:

317.36 [AGREEMENT, FILING, RECORDING; CERTIFICATE ISSUED.]

(1) Upon execution of the agreement of merger or consolidation, the agreement and required copies shall be delivered to the secretary of state at his office, accompanied by the fees prescribed by section 317.67.

(2) If the secretary of state finds that the agreement conforms to law, and the prescribed fees have been paid, he shall endorse his approval upon the agreement and each copy, file and record the original of the agreement in his office, and issue a certificate of merger or a certificate of consolidation and incorporation, as ~~the case may be appropriate.~~ The secretary of state shall file and record a copy of the certificate in his office. ~~He shall retain a sufficient number of the remaining copies of the agreement to enable him to comply with clause (3).~~ He shall return the remaining copies bearing the endorsement of his approval, together with the certificate of merger or the certificate of consolidation and incorporation, to the single corporation.

~~(3) The secretary of state shall file for record a copy of the agreement, certified as required by section 317.35, clause (2), in the office of the county recorder of the county in which each constituent corporation had its registered office and in the county in which the single corporation has its registered office.~~

Sec. 73. Minnesota Statutes 1980, Section 317.42, Subdivision 3, is amended to read:

Subd. 3. [FILING, RECORDING.] When a domestic corporation merges or consolidates with a foreign corporation pursuant to the law of a state or place other than this state, the single corporation shall file for record a copy of the agreement of merger or consolidation, certified by the proper official of ~~such~~ *the* state or place, accompanied by the fees prescribed by section 317.67, in the office of the secretary of state of this state. ~~The secretary of state shall file for record a certified copy of the agreement of merger or consolidation in the office of the county recorder of each county in this state in which the registered office of a constituent domestic corporation was located.~~

Sec. 74. Minnesota Statutes 1980, Section 317.67, Subdivision 2, is amended to read:

Subd. 2. ~~In addition to the fees prescribed by subdivision 1,~~ The secretary of state shall collect a fee of \$10 \$15 for filing any instrument that is required to be filed under this chapter.

Sec. 75. Minnesota Statutes 1980, Section 330.01, Subdivision 1, is amended to read:

Subdivision 1. (a) The county auditor may license any person having the qualifications specified in clause (b) of this subdivision as an auctioneer. ~~Such~~ *The* license shall be issued by the auditor and shall authorize the licensee to conduct the business of an auctioneer in the state of Minnesota for the period of one year. It shall be recorded by the auditor in a book kept for that purpose. Before ~~such~~ *the* license is issued the applicant shall pay into the county treasury a fee of \$15 \$20. The auditor shall, not later than the 15th day of the following month, transmit a copy of the license to the secretary of state together with \$5 \$10 of the fee, which shall be deposited in the general fund.

(b) A natural person is qualified to be licensed as an auctioneer if 18 years of age or over and a resident of the county of application for at least six months immediately preceding the date of application. No copartnership, association or corporation may be licensed as an auctioneer. However, nothing in this subdivision shall be construed as preventing auctioneers who are duly licensed in accordance with the provisions of this chapter, from combining in associations, copartnerships, or corporations, provided that each and every member of ~~such~~ *these* associations or copartnerships and each and every person or agent conducting auction sales on behalf of ~~such~~ *these* corporations is a duly licensed auctioneer as provided in this chapter. Nothing herein shall be construed to apply to a person selling at an auction property owned by him for at least six months.

Sec. 76. Minnesota Statutes 1980, Section 345.32, is amended to read:

**345.32 [PROPERTY HELD BY BANKING OR FINANCIAL ORGANIZATIONS OR BY BUSINESS ASSOCIATIONS.]**

The following property held or owing by a banking or financial organization or by a business association is presumed abandoned:

(a) Any demand, savings or matured time deposit made in this state with a banking organization, together with any interest or dividend thereon, excluding contracted service charges which may be deducted for a period not to exceed one year, unless the owner has, within ~~seven~~ *five* years:

(1) increased or decreased the amount of the deposit, or presented the pass-book or other similar evidence of the deposit for the crediting of interest; or

(2) corresponded in writing with the banking organization concerning the deposit; or

(3) otherwise indicated an interest in the deposit as evidenced by a memorandum on file with the banking organization; or

(4) received tax reports or regular statements of the deposit by mail from the banking or financial organization regarding the deposit. Receipt of the statement by the owner should be presumed if the statement is mailed first class by the banking or financial organization and not returned; or

(5) acted as provided in paragraphs (1), (2), (3) and (4) of this subsection in regard to another demand, savings or time deposit made with the banking or financial organization.

(b) Any funds or dividends deposited or paid in this state toward the purchase of shares or other interest in a business association where the stock certificates or other evidence of interest in the business have not been issued, or

in a financial organization, and any interest or dividends thereon, excluding contracted service charges which may be deducted for a period not to exceed one year, unless the owner has within ~~seven~~ *five* years:

(1) increased or decreased the amount of the funds or deposit, or presented an appropriate record for the crediting of interest or dividends; or

(2) corresponded in writing with the financial organization concerning the funds or deposit; or

(3) otherwise indicated an interest in the funds or deposit as evidenced by a memorandum on file with the financial organization; or

(4) received tax reports or regular statements of the deposit or accounting by mail from the financial organization or business association regarding the deposit. Receipt of the statement by the owner should be presumed if the statement is mailed first class by the financial organization or business association and not returned.

(c) Any sum, excluding contracted service charges which may be deducted for a period not to exceed one year, payable on checks certified in this state or on written instruments issued in this state on which a banking or financial organization or business association is directly liable, including, by way of illustration but not of limitation, drafts, money orders and traveler's checks, that has been outstanding for more than ~~seven~~ *five* years from the date it was payable, or from the date of its issuance if payable on demand, or, in the case of traveler's checks, has been outstanding for more than 15 years from the date of its issuance, unless the owner has within ~~seven~~ *five* years, or within 15 years in the case of traveler's checks, corresponded in writing with the banking or financial organization or business association concerning it, or otherwise indicated an interest as evidenced by a memorandum on file with the banking or financial organization or business association.

(d) Any funds or other personal property, tangible or intangible, removed from a safe deposit box or any other safekeeping repository in this state on which the lease or rental period has expired due to nonpayment of rental charges or other reason, that have been unclaimed by the owner for more than ~~seven~~ *five* years from the date on which the lease or rental period expired.

(1) If the amount due for the use or rental of a safe deposit box has remained unpaid for a period of six months, the bank, savings bank, trust company, savings and loan, or safe deposit company shall, within 60 days of the expiration of that period, send by certified mail, addressed to the renter or lessee of the safe deposit box, directed to the address standing on its books, a written notice that, if the amount due for the use or rental of the safe deposit box is not paid within 60 days after the date of the mailing of the notice, it will cause the safe deposit box to be opened and its contents placed in one of its general safe deposit boxes.

(2) Upon the expiration of 60 days from the date of mailing the notice, and in default of payment within the 60 days of the amount due for the use or rental of the safe deposit box, the bank, savings bank, trust company, savings and loan, or safe deposit company, in the presence of its president, vice-president, secretary, treasurer, assistant secretary, assistant treasurer or superintendent, or such other person as specifically designated by its board of directors, and of a notary public not in its employ, shall cause the safe deposit box to be opened

and the contents thereof, to be removed and sealed by the notary public in a package, upon which he shall mark the name of the renter or lessee and also the estimated value of the contents of the safe deposit box and, in the presence of one of the bank officers listed above, the notary public shall place the package in one of the bank's general safe deposit boxes and set out the proceedings in a certificate under his official seal, which shall be delivered to the bank, savings bank, trust company, savings and loan, or safe deposit company.

(3) The bank, savings bank, trust company, savings and loan, or safe deposit company shall hold the contents of abandoned safe deposit boxes until they are claimed by the owner or the bank turns them over to the state treasurer pursuant to chapter 345.

Sec. 77. Minnesota Statutes 1980, Section 345.33, is amended to read:

**345.33 [UNCLAIMED FUNDS HELD BY LIFE INSURANCE CORPORATIONS.]**

(a) Unclaimed funds, as defined in this section, held and owing by a life insurance corporation shall be presumed abandoned if the last known address, according to the records of the corporation, of the person entitled to the funds is within this state. If a person other than the insured or annuitant is entitled to the funds and no address of such person is known to the corporation or if it is not definite and certain from the records of the corporation what person is entitled to the funds, it is presumed that the last known address of the person entitled to the funds is the same as the last known address of the insured or annuitant according to the records of the corporation.

(b) "Unclaimed funds," as used in this section, means all moneys held and owing by any life insurance corporation unclaimed and unpaid for more than ~~seven~~ five years after the moneys became due and payable as established from the records of the corporation under any life or endowment insurance policy or annuity contract which has matured. A life insurance policy not matured by actual proof of the death of the insured is deemed to be matured and the proceeds thereof are deemed to be due and payable if such policy was in force when the insured attained the limiting age under the mortality table on which the reserve is based, unless the person appearing entitled thereto has within the preceding ~~seven~~ five years, (1) assigned, readjusted or paid premiums on the policy, or subjected the policy to loan, or (2) corresponded in writing with the life insurance corporation concerning the policy. Moneys or drafts otherwise payable according to the records of the corporation are deemed due and payable although the policy or contract has not been surrendered as required.

Sec. 78. Minnesota Statutes 1980, Section 345.34, is amended to read:

**345.34 [DEPOSITS HELD BY UTILITIES.]**

Any deposit held or owing by any utility made by a subscriber after January 1, 1960, to secure payment for, or any sum paid in advance for, utility services to be furnished in this state, excluding any charges that may lawfully be withheld, that has remained unclaimed by the person appearing on the records of the utility entitled thereto for more than ~~seven years~~ one year after the termination of the services for which the deposit or advance payment was made is presumed abandoned.

Sec. 79. Minnesota Statutes 1980, Section 345.37, is amended to read:



### 345.37 [PROPERTY HELD BY FIDUCIARIES.]

All intangible personal property and any income or increment thereon, held in a fiduciary capacity for the benefit of another person is presumed abandoned unless the owner has, within ~~seven~~ five years after it becomes payable or distributable, increased or decreased the principal, accepted payment of principal or income, corresponded in writing concerning the property, or otherwise indicated an interest as evidenced by a memorandum on file with the fiduciary if:

(a) the property is held by a banking organization or a financial organization or by a business association organized under the laws of or created in this state; or

(b) it is held by a business association, doing business in this state, but not organized under the laws of or created in this state, and the records of the business association indicate that the last known address of the person entitled thereto is in this state; or

(c) it is held in this state by any other person.

Sec. 80. Minnesota Statutes 1980, Section 345.38, is amended to read:

### 345.38 [PROPERTY HELD BY STATE COURTS AND PUBLIC OFFICERS AND AGENCIES.]

Subdivision 1. All intangible personal property held for the owner by any court, public corporation, public authority or public officer of this state, or a political subdivision thereof, that has remained unclaimed by the owner for more than ~~seven~~ five years is presumed abandoned except as provided in section 524.3-914.

Subd. 2. This section shall not apply to property held for persons while residing in public correctional or other institutions. As to such persons, said property shall be presumed abandoned if it has remained unclaimed by the owner for more than ~~seven~~ five years after such residence ceases.

Subd. 3. All intangible personal property held for the owner by any government or political subdivision or agency, that has remained unclaimed by the owner for more than ~~seven~~ five years is presumed abandoned and is reportable pursuant to section 345.41, if:

(a) the last known address as shown on the records of the holder of the apparent owner is in this state; or

(b) no address of the apparent owner appears on the records of the holder; and

(1) the last known address of the apparent owner is in this state; or

(2) the holder is domiciled in this state and has not previously transferred the property to the state of the last known address of the apparent owner.

Sec. 81. Minnesota Statutes 1980, Section 345.39, is amended to read:

### 345.39 [MISCELLANEOUS PERSONAL PROPERTY HELD FOR ANOTHER PERSON.]

All intangible personal property, not otherwise covered by sections 345.31 to 345.60, including any income or increment thereon, but excluding any

charges that may lawfully be withheld, that is held or owing in this state in the ordinary course of the holder's business and has remained unclaimed by the owner for more than ~~seven~~ *three* years after it became payable or distributable is presumed abandoned. Property covered by this section includes, but is not limited to: (a) unclaimed wages or worker's compensation; (b) deposits or payments for repair or purchase of goods or services; (c) credit checks or memos, or customer overpayments; (d) unidentified remittances, unrefunded overcharges; (e) unpaid claims, unpaid accounts payable or unpaid commissions; (f) unpaid mineral proceeds, royalties or vendor checks; and (g) credit balances, accounts receivable and miscellaneous outstanding checks.

Sec. 82. Minnesota Statutes 1980, Section 473.408, Subdivision 3, is amended to read:

Subd. 3. [SPECIAL FARES.] In off-peak hours the commission and other operators shall charge the following reduced fares for transit service:

(a) not more than 20 cents plus any zone charges for all persons under the age of 18 holding an identification card issued by the commission;

(b) not more than ten cents for all persons 65 years of age and over holding a medicare card or other identification card authorized or approved by the commission; and

(c) not more than one-half of the full fare for all handicapped persons, as defined by the commission.

~~Any person qualifying for a reduced fare pursuant to clause (b) whose income is below 150 percent of poverty guidelines established by the federal community services administration may qualify for exemption from the fare otherwise required to be paid under clause (b). The person may qualify for exemption by certifying income level on a form provided by the commission. The commission shall issue an annual pass to persons who qualify for exemption and shall require the persons to requalify annually. The commission shall make appropriate certification forms available by mail and at the offices and information centers maintained by the commission.~~

Sec. 83. Minnesota Statutes 1981 Supplement, Section 473.446, Subdivision 1, is amended to read:

Subdivision 1. [TAXATION WITHIN TRANSIT TAXING DISTRICT.] For the purposes of sections 473.401 to 473.451 and the metropolitan transit system, except as otherwise provided in this subdivision the metropolitan transit commission shall levy each year upon all taxable property within the metropolitan transit taxing district, defined in subdivision 2, a transit tax consisting of:

(a) An amount equal to ~~1.72~~ *two* mills times the assessed value of all such property, the proceeds of which shall be used for payment of the expenses of operating transit and paratransit service;

(b) An additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1977, to which property taxes under this section have been pledged; and

(c) An additional amount necessary to provide full and timely payment of

certificates of indebtedness, bonds, or other obligations issued 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 174.265, 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 174.265 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.

Sec. 84. Minnesota Statutes 1981 Supplement, Section 518.551, Subdivision 7, is amended to read:

Subd. 7. [SERVICE FEE.] When the public agency responsible for child support enforcement provides child support collection services either to a public assistance recipient or to a party who does not receive public assistance, the public agency may upon written notice to the obligor charge a monthly collection fee equivalent to the full monthly cost to the county of providing collection services, in addition to the amount of the child support which was ordered by the court. The fee shall be deposited in the county general fund. The service fee assessed is limited to ten percent of the monthly court ordered child support and shall not be assessed to obligors who are current in payment of the monthly court ordered child support. No fee shall be imposed on the party who requests child support collection services.

*However, the limitations of this subdivision on the assessment of fees shall not apply to the extent inconsistent with the requirements of federal law for receiving funds for the programs under Title IV-A and Title IV-D of the Social Security Act, 42 U.S.C. 601 to 613 and 42 U.S.C. 651 to 662.*

Sec. 85. Minnesota Statutes 1980, Section 540.152, is amended to read:

540.152 [SERVICE OF PROCESS ON UNIONS, GROUPS OR ASSOCIATIONS.]

The transaction of any acts, business or activities within the state of Minnesota by any officer, agent, representative, employee or member of any union or other groups or associations having officers, agents, members or property without the state on behalf of the union or other groups or associations or any of its members or affiliated local unions shall be deemed an appointment by the union or other groups or associations of the secretary of state of the state of Minnesota to be the true and lawful attorney of the union or other groups or associations, upon whom may be served all legal processes or notices in any action or proceeding against or involving the union or other groups or associations growing out of any acts, business or activities within the state of Minnesota resulting in damage or loss to person or property or giving rise to any cause of action under the laws of the state of Minnesota or to any matters or proceedings arising under the Minnesota Labor Relations Act. Such acts, business or activities shall be a signification of the agreement of the union or other groups or associations and its members that any process or notice in any action, matter or proceeding against or involving it, which is so served, shall be of the same

legal force and validity as if served upon the union or other groups or associations and its members personally. Service of process or notice shall be made by filing a copy thereof in the office of the secretary of state, together with payment of a fee of \$10 \$15 and together with an affidavit that no officer or managing agent of the union or other group or association has been found in this state ~~and thereupon~~. The service shall be sufficient service upon the union or other groups or associations and its members; ~~and~~. Notice of service and a copy of the process or notice shall, within ten days thereafter, be sent by mail by the person who caused it to be served on the union or other groups or associations at its last known address and an affidavit of compliance with the provisions of this chapter shall be filed with the court or other state agency or department before which the action, matter, or proceeding is pending.

Sec. 86. Minnesota Statutes 1980, Section 543.08, is amended to read:

543.08 [SUMMONS, SERVICE UPON CERTAIN CORPORATIONS.]

If a private domestic corporation has no officer within the state upon whom service can be made, of which fact the return of the sheriff that none can be found in his county shall be conclusive evidence, service of the summons upon it may be made by depositing two copies, together with a fee of \$10 \$15 with the secretary of state, which shall be deemed personal service upon the corporation. One of the copies shall be filed by the secretary, and the other forthwith mailed by him to the corporation *by certified mail*, if the place of its main office is known to him or is disclosed by the files of his office.

If the defendant is a foreign insurance corporation, the summons may be served by two copies delivered to the insurance commissioner, who shall file one in his office and forthwith mail the other postage prepaid to the defendant at its home office.

Sec. 87. [REPEALER.]

*Minnesota Statutes 1980, Sections 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; and 317.67, Subdivision 1; and Minnesota Statutes 1981 Supplement, Sections 3.965, Subdivision 6; and 362.453, are repealed.*

Sec. 88. [REPEALER.]

*Minnesota Statutes 1980, Section 256.935, Subdivision 2 and Minnesota Statutes 1981 Supplement, Section 257.021, are repealed.*

Sec. 89. [REPEALER.]

*Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; and 290.08, Subdivision 25, are repealed.*

Sec. 90. [EFFECTIVE DATE.]

*Except as otherwise specifically provided in this article, this article is effective January 1, 1982. Sections 1 to 7 are effective the day following final enactment. Section 50 is effective December 31, 1981. Sections 14 to 16 are effective April 1, 1982. Sections 31 to 48, 84, and 88 are effective on the first day of the first month immediately following adjournment of the third special session of the legislature commenced in 1981, except that the amendment to Minnesota Statutes 1980, Section 256.74, Subdivision 1, adding clause (6) is*

*effective on the first day of the fifth month immediately following adjournment of the third special session commenced in 1981. Sections 51, 52, and 89 are effective the day following final enactment, except that, with respect to amounts deposited in an individual housing account prior to the effective date of sections 51, 52, and 89 pursuant to the provisions of Minnesota Statutes 1980, Section 290.09, Subdivision 30, or Laws 1981, First Special Session, Chapter 1, Article IX, the provisions of those laws shall remain in effect until the proceeds of the account have been distributed.*

## ARTICLE II

### EDUCATION AID REDUCTIONS AND SUSPENSIONS

Section 1. Minnesota Statutes 1981 Supplement, 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 biennium 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 16A.153, 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).

~~Provided, however, no allotment pursuant to an appropriation for state aids, payments, reimbursements or fund transfers to or on behalf of school districts shall be reduced pursuant to this subdivision.~~ 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.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 1, is amended to read:

Subdivision 1. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be \$1,333 for foundation aid for the 1981-1982 school year. The formula allowance shall be ~~\$1,416~~ \$1,346 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 2, is amended to read:

Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. The basic

maintenance mill rate shall be .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~~ .025 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.2121, Subdivision 4, is amended to read:

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. *However, the equalizing factor for discretionary and replacement aids for the 1982-1983 school year shall be \$61,565.*

Sec. 5. Laws 1981, Chapter 358, Article 7, Section 29, is amended to read:

Sec. 29. [EXEMPTION FROM PUBLIC SALE.] Notwithstanding Minnesota Statutes, Section 124.76, from ~~the effective date of this section of this article June 1, 1981 until January 1, 1982~~ June 30, 1983, 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. 6. [RECERTIFICATION OF LEVY.]

*Notwithstanding the provisions of Minnesota Statutes, Chapter 275 or any other law to the contrary, by December 31, 1981 each school district shall recertify the basic maintenance levy authorized in Minnesota Statutes, Section 275.125, Subdivision 2a, for taxes assessed in 1981, payable in 1982, as provided in this section. The school district shall add an amount to the basic maintenance levy equal to the lesser of:*

(a) the difference between

(1) the product of

(A) the estimated number of actual pupil units, as defined in Minnesota Statutes, Section 124.2121, Subdivision 3, Clause (a), in the district in the 1982-1983 school year, times

(B) \$1,346, and

(2) the amount already certified in 1981 by the district for basic maintenance purposes; or

(b) two mills times the 1980 adjusted assessed valuation of the district.

*This section shall not apply to districts in which the basic maintenance levy was computed under the provisions of Minnesota Statutes, Section 275.125, Subdivision 2e.*

Sec. 7. [DECEMBER, 1981 AND JANUARY, 1982 EDUCATION AID PAYMENTS SUSPENDED.]

*Notwithstanding the provisions of Minnesota Statutes, Sections 16A.15 and*

124.11, or any other law to the contrary, the commissioner of education may suspend payment of some or all state aids, payments, reimbursements and fund transfers from some or all school districts, public library systems, multi-type library systems, educational cooperative service units or regional management information systems in the months of December, 1981 and January, 1982. The commissioner may consider the cash flow requirements of each individual recipient when determining whether to suspend payments of any aid, payments, reimbursements or fund transfers.

Sec. 8. [CERTIFICATION.]

On or before December 31, 1981 and January 31, 1982, the commissioner shall certify to each recipient the amount of aids, payments, reimbursements, or fund transfers suspended pursuant to section 7. The commissioner shall issue a certificate of unpaid aids for the certified amount to be paid by February 26, 1982.

Sec. 9. [REPAYMENT BY FEBRUARY 26, 1982.]

Notwithstanding any law to the contrary, by February 26, 1982, the commissioner of finance shall draw warrants in favor of school districts, public library systems, multi-type library systems, educational cooperative service units or regional management information systems for any of the state aids, payments, reimbursements and fund transfers that were suspended by the commissioner of education pursuant to section 7, plus interest as provided in section 10.

Sec. 10. [PAYMENT OF INTEREST.]

The state shall pay interest on any state aids, payments, reimbursements or fund transfers suspended pursuant to section 7. Interest shall be calculated as simple interest at a rate equal to the average yield for the Bond Buyer's Index of 20 Municipals, published for the week in which the suspended payment was scheduled to be made to the school district, public library system, multi-type library systems, educational cooperative service unit, or regional management information system.

Sec. 11. Laws 1981, Chapter 358, Article I, Section 50, Subdivision 3, is amended to read:

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 amount~~ for this purpose ~~are~~ is 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~~ appropriation in this subdivision for this purpose.

Sec. 12. [APPROPRIATION REDUCTIONS.]

Subdivision 1. The sum of appropriations for foundation aid for fiscal year 1983 in Laws 1981, Chapter 358, Section 50, Subdivision 2, and Laws 1981,

*First Special Session, Chapter 2, Section 2, Subdivision 1, is reduced by \$90,701,500.*

*Subd. 2. Appropriations made for fiscal year 1983 pursuant to Laws 1981, Chapter 358, Article I, Section 50, Subdivision 3; Article II, Section 15, Subdivision 2; Article III, Section 21, Subdivisions 2, 3, 4, 5, 6, and 7; Article IV, Section 12, Subdivisions 2 and 3; Article VI, Section 46, Subdivisions 2, 3, 4, 5, 6, 7, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20; Article VIII, Section 20, Subdivisions 2, 3, and 4; and Laws 1981, First Special Session, Chapter 2, Section 2, Subdivision 3 and Section 9, Subdivision 2, are reduced by seven and one-half percent.*

*Subd. 3. Appropriations made for fiscal year 1983 pursuant to Laws 1981, Chapter 358, Article V, Section 48, Subdivisions 2, 3, 4, 5, 6, 9, 10, 11, 12, and 13, are reduced by eight percent.*

Sec. 13. [APPROPRIATION.]

*An amount sufficient to pay the interest payable under section 10 is appropriated from the general fund to the commissioner of education.*

Sec. 14. [REPEALER.]

*Minnesota Statutes 1981 Supplement, Sections 124.20, Subdivision 3; 124.781; and 275.125, Subdivision 2f, are repealed. Laws 1981, First Special Session, Chapter 2, Section 2, Subdivision 2, is repealed.*

Sec. 15. [EFFECTIVE DATE.]

*Sections 1 to 14 are effective the day following final enactment.*

### ARTICLE III

#### TAXATION

Section 1. Minnesota Statutes 1980, Section 121.904, is amended by adding a subdivision to read:

*Subd. 4a. [LEVY RECOGNITION.] Beginning with taxes assessed in 1982 payable in 1983, and thereafter, all current levies of local taxes, including portions assumed by the state, shall be recognized as receivable in the same fiscal year during which collection normally takes place. These receivables shall be for use in the current fiscal year. All school district tax receipts from the March and June settlements shall be recorded as revenue in the fiscal year ending on that June 30.*

Sec. 2. [124.115] [AID REDUCTIONS DUE TO TAX LEVY REVENUE RECOGNITION CHANGE.]

*Subdivision 1. [AUTHORIZATION.] Notwithstanding any law to the contrary, state aid due school districts in fiscal year 1983 for the 1982-1983 school year shall be reduced as provided in this section.*

*Subd. 2. [AMOUNT OF REDUCTION.] State aid due any school district in fiscal year 1983 for the 1982-1983 school year under the provisions enumerated in subdivision 3 shall be reduced by 93 percent of the amount the district levied for taxes assessed in 1982, payable in 1983, which is to be recognized as revenue in fiscal year 1983 pursuant to section 1. The district levy against which the reduction is applied shall not include any levy portions*



that are assumed by the state. For purposes of computing this state aid reduction, the amount levied by the district shall not include the amounts levied to make payments for bonds issued and for interest thereon; the amounts levied for repayment of debt service loans and capital loans; the amounts levied to pay the district's obligations under section 268.06, subdivision 25; and amounts levied pursuant to section 275.125, subdivisions 2d, 6a, 9a, 14a, and 20.

*Subd. 3. [SUBTRACTION FROM AIDS.] The amount specified in subdivision 2 shall be subtracted from the following state aid payments in the order listed in fiscal year 1983:*

- (a) Foundation aid as authorized in section 124.212, subdivision 1;*
- (b) Secondary vocational aid authorized in section 124.573;*
- (c) Special education aid authorized in section 124.32;*
- (d) Secondary vocational aid for handicapped children authorized in section 124.574;*
- (e) Gifted and talented aid authorized in section 124.247;*
- (f) Aid for pupils of limited English proficiency authorized in section 124.273;*
- (g) Aid for improved learning programs authorized in section 124.251;*
- (h) Aid for chemical use programs authorized in section 124.246;*
- (i) Transportation aid authorized in section 124.225;*
- (j) School lunch aid authorized in section 124.646;*
- (k) Community education programs aid authorized in section 124.271;*
- (l) Adult education aid authorized in section 124.26;*
- (m) Capital expenditure equalization aid authorized in section 124.245;*
- (n) Homestead credit payments authorized in section 273.13, subdivisions 6, 7, and 14a;*
- (o) Taconite homestead credit payments authorized in section 273.135;*
- (p) Wetlands credit authorized in section 273.115;*
- (q) Native prairie credit authorized in section 273.116; and*
- (r) Attached machinery aid authorized in section 273.138, subdivision 3.*

*If necessary, state aid payments in fiscal year 1984 and subsequent years may be reduced until the entire amount specified in subdivision 2 has been subtracted.*

*Subd. 4. [ACCOUNTING.] Notwithstanding any law to the contrary, the amount of the levy subtracted from state aid payments shall be recognized and reported on the school district books of account in the same way that the state aid payments would have been recognized and reported. Seven percent of the amount the district levied for taxes in 1982, payable in 1983, which is to be recognized as revenue in fiscal year 1983, excluding levy portions assumed by the state, and excluding amounts levied to make payments for bonds issued and*

*for interest thereon, amounts necessary for repayment of debt service loans and capital loans, amounts necessary to pay the district's obligations under section 268.06, subdivision 25, and amounts levied pursuant to section 275.125, subdivisions 2d, 6a, 9a, 14a, and 20, shall be placed in the general fund of the district, and may be expended for any lawful purpose.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 124.2121, Subdivision 5, is amended to read:

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 portion of the levy payable during that school year preceding that particular school year, and payable in the calendar year in which that school year begins.

Sec. 4. [124.116] [CASH FLOW LOAN FUND.]

*Subdivision 1. There shall be maintained in the state treasury a cash flow loan fund for administration of moneys to be received and disbursed as authorized in this section. The purpose of this fund is to alleviate the impact of altering the recognition of tax revenue pursuant to sections 1 and 2 on the cash flow needs of the school districts. Notwithstanding the provisions of section 11A.20, subdivision 3, the investment income on funds credited to the cash flow loan fund shall accrue and be credited to the cash flow loan fund.*

*Subd. 2. [LOAN APPLICATIONS; REPAYMENTS.] The commissioner of education shall establish procedures for loan applications and criteria for determining increased cash flow needs of school districts caused by the altering of recognition of tax revenue. The commissioner shall approve or disapprove loan applications on the basis of need. Any loan made pursuant to this section shall constitute an advance to the district without interest. For loans made in the 1982-1983 and 1983-1984 school years, the school district shall repay 70 percent of the loan amount by June 25 of that particular school year and the remaining 30 percent of the loan by July 25 of the next fiscal year or within five days of receiving final payment of the May tax settlement attributable to that particular school year, whichever is earlier. For loans made in the 1984-1985 school year, the school district shall repay the full amount of the loan by June 25, 1985.*

*Subd. 3. [REPEALER; CANCELLATION.] This section is repealed on June 30, 1985 and any moneys in the cash flow loan fund on June 29, 1985 shall cancel into the general fund.*

*Subd. 4. [APPROPRIATION.] There is appropriated from the general fund to the department of education for the cash flow loan fund the sum of \$133,000,000. This sum shall be transferred to the cash flow loan fund as needed but the balance of the untransferred funds shall be transferred no later than June 29, 1983. On June 30, 1983, \$53,000,000 of the balance in the cash flow loan fund shall cancel into the general fund. Any balance in excess of that amount shall not cancel and shall be available for loans to be made in fiscal years 1984 and 1985. Loan payments made after June 30, 1983 are also appropriated for loans to be made in fiscal years 1984 and 1985.*

Sec. 5. [LEGISLATURE TO EVALUATE CASH FLOW.]

*Before July 1, 1982, the legislature intends to evaluate the effect of this*

*article on the cash flow needs of school districts, and to reschedule the timing of payment of state aids and credits to school districts to the extent needed to ensure that the cash position of school districts is sufficiently favorable to ensure efficient operation.*

Sec. 6. Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 15b, is amended 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 *excluding any amount levied pursuant to section 275.50, subdivision 5, clause (k)*, 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 *excluding any amount levied pursuant to section 275.50, subdivision 5, clause (k)*, 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, *plus any amount levied pursuant to section 275.50, subdivision 5, clause (k), for taxes payable in 1982*. 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, *plus any amount levied pursuant to section 275.50, subdivision 5, clause (k), for taxes payable in 1982*. 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. 7. [RECERTIFICATION.]

*The county auditor of any county in which an amount was levied for taxes payable in 1982 pursuant to section 275.50, subdivision 5, clause (k), shall notify the commissioner of revenue. The commissioner of revenue shall recertify to the county auditor the property tax credits limitation amounts for taxes payable in 1982.*

Sec. 8. Minnesota Statutes 1980, Section 276.11, is amended to read:

276.11 [WHEN TREASURER SHALL PAY FUNDS.]

As soon as practical after each settlement in March, June, and November the county treasurer shall pay over to the state treasurer or the treasurer of any town, city, school district, or special district, on the warrant of the county auditor, all receipts arising from taxes levied by and belonging to the state, or to such municipal corporation, or other body, and deliver up all orders and other evidences of indebtedness of such municipal corporation or other body, taking triplicate receipts therefor. ~~He~~ *The treasurer* shall file one of the receipts with the county auditor, and shall return one by mail on the day of its reception to the clerk of the town, city, school district, or special district to which payment was made. The clerk shall preserve the receipt in ~~his~~ *the clerk's* office. Upon written request of the state, a municipal corporation or other public body, the county treasurer shall, to the extent practicable, make partial payments of amounts collected periodically in advance of the next settlement and

distribution. Accompanying each payment shall be a statement prepared by the county treasurer designating the years for which taxes included in the payment were collected and, for each year, the amount of the taxes and any penalties thereon. The county treasurer shall pay, upon written request of the state, a municipal corporation or other public body ~~pay~~ *except school districts*, at least 70 percent of the estimated collection within 30 days after the settlement date. *Within 15 days after the settlement date, the county treasurer shall pay to the treasurer of the school districts at least 70 percent of the estimated collections arising from taxes levied by and belonging to the school district.* ~~He~~ *The* treasurer shall pay the balance of the amounts collected to the state or to a municipal corporation or other body within 60 days after the settlement date, provided, however, that after 45 days interest shall accrue at a rate of eight percent per annum to the credit of and shall be paid to the state, municipal corporation or other body. Interest shall be payable upon appropriation from the general revenue fund of the county and, if not paid, may be recovered by the state, municipal corporation, or other body, in a civil action.

Sec. 9. Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; 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, 1980.

The term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income 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 subdivision. For estates and trusts the adjusted gross income shall be their federal taxable income 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 subdivision and with the modification that the federal deduction for personal exemptions for trusts and estates shall not be allowed.

(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, sections 131, 133, 134, 141, 152, 156, 157, 405, and 543 of P.L. 95-600, and section 2 of P.L. 96-608 (relating to pensions, individual retirement accounts, deferred compensation plans, the sale of a residence and to conservation payments to farmers) including the amendments made to these sections in P.L. 96-222 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.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1980, *and as amended by sections 501 to 509 of Public Law Number 97-34*, shall be in effect for taxable years beginning after December 31, 1980 including 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. The provisions of P.L. 96-471 (relating to installment sales) *and sections 501 to 507, of the Economic Recovery Tax Act of 1981, Public Law Number 97-34* shall be effective at the same time that they become effective for federal income tax purposes.

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) A business casualty loss if the taxpayer elected to deduct the loss on the current year's federal income tax return but had deducted the loss on the previous year's Minnesota income tax return;

(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 amount of the federal income tax overpayment shall be reported only to the extent that the amount resulted in a reduction of the tax

imposed by this chapter.

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, combined, or separate Minnesota income tax returns. In the case of combined or 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 combined or 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) 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);

(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;

(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under section 290.08, subdivision 25;

(20) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10); and

(21) To the extent excluded from federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of contributions made by the city manager or administrator which is equal to the amount which would have been the city manager's or administrator's employee contribution pursuant to section 353.27, subdivision 2, if he were a member of the public employees retirement association.

(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 or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's

income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether the amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, 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) 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, 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;

(18) Minnesota exempt-interest dividends as provided by subdivision 27;

(19) A business casualty loss which the taxpayer elected to deduct on the current year's Minnesota income tax return but did not deduct on the current year's federal income tax return; and

(20) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);

(21) To the extent included in federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a)(21); and

(22) Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25.

(c) A modification affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954 shall be made.

In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under this chapter and at the close of the taxable year immediately preceding the effective election under this chapter 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 chapter.

(d) 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 chapter and 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 chapter.

(e) 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 (or as an offset against the sales price of property in determining gain or loss) in computing the taxable income of the estate or any person unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have the amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 10. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 3, is amended to read:

Subd. 3. [INTEREST.] (a) All interest paid or accrued within the taxable year on indebtedness, except as hereinafter provided.

(b) Interest paid or accrued within the taxable year on indebtedness incurred or continued to purchase or carry obligations or securities the income from which is excludable from gross income under sections 290.01, subdivision 20 or 290.08, or shares of a regulated investment company which during the taxable year of the holder thereof distributes Minnesota exempt-interest dividends as defined in section 290.01, subdivision 27, or on indebtedness described in section 264(a)(2) and (3), (b) and (c) (relating to life insurance) of the Internal Revenue Code of 1954, as amended through December 31, 1980 shall not be allowed as a deduction.

(c) If personal property or educational services are purchased under a contract the provisions of section 163(b) of the Internal Revenue Code of 1954, as amended through December 31, 1980 shall apply.

(d) A cash basis taxpayer may elect to deduct interest as it accrues on a reverse mortgage loan as defined in section 47.58, subdivision 1, rather than when it is actually paid. This election must be made, if at all, in the first taxable year in which it is available to the cash basis taxpayer and, if made, shall be binding on the taxpayer for each subsequent taxable year until maturity of the loan.

(e) In the case of a taxpayer other than a corporation, the amount of interest on investment indebtedness allowable as a deduction shall be allowed and limited as set forth in section 163(d) of the Internal Revenue Code of 1954, as amended through December 31, 1980. The limitation prescribed in section 163(d)(1)(A) for married individuals who file separate returns shall also apply to married individuals who file separately on one return.

(f) A taxpayer may not deduct interest on indebtedness incurred or continued to purchase or carry obligations or shares, or to make deposits or other investments, the interest on which is described in section 116(c) of the Internal Revenue Code of 1954, as amended through December 31, 1980 to the extent such interest is excludable from gross income under section 116 of the Internal Revenue Code of 1954 as amended through December 31, 1980. *Interest and carrying costs in the case of straddles shall be treated as provided in section 263(g) of the Internal Revenue Code of 1954, as amended through October 2, 1981.*

Sec. 11. Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 2d, is amended to read:

Subd. 2d. [INFLATION ADJUSTMENT OF BRACKETS.] *(a) Subject to the provisions of clause (b), 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.

*(b) For the first taxable year of each taxpayer beginning after December 31,*

1981, the taxable net income brackets adjusted according to the percentages determined by October 1, 1982 shall be further adjusted by reducing the dollar amount in each bracket by 12.3 percent. The bracket amounts resulting from this adjustment shall be those subject to subsequent adjustments pursuant to clause (a) for taxable years beginning after December 31, 1982. The 12.3 percent adjustment provided in this clause does not apply to the adjustment of the personal credit amounts or the maximum standard deduction amount pursuant to clause (a).

Sec. 12. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 7, is amended to read:

Subd. 7. [DEPRECIATION.] (A) [CUMULATIVE DEPRECIATION.] (a) There shall be allowed as a depreciation deduction a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence):

- (1) of property used in the trade or business, or
- (2) of property held for the production of income.

(b) The term "reasonable allowance" as used in clause (a) shall include (but shall not be limited to) an allowance computed in accordance with regulations prescribed by the commissioner, under any of the following methods:

- (1) the straight line method.
- (2) the declining balance method, using a rate not exceeding twice the rate which would have been used had the annual allowance been computed under the method described in paragraph (1).
- (3) the sum of the years-digits method, and
- (4) any other consistent method productive of an annual allowance, which, when added to all allowances for the period commencing with the taxpayer's use of the property and including the taxable year, does not, during the first two-thirds of the useful life of the property, exceed the total of such allowances which would have been used had such allowances been computed under the method described in (2). Nothing in this clause (b) shall be construed to limit or reduce an allowance otherwise allowable under clause (a).

*For purposes of this subdivision "reasonable allowance" shall not include the accelerated cost recovery system provisions of section 168 of the Internal Revenue Code of 1954, as amended through October 2, 1981, unless specifically authorized by legislation enacted after the final enactment of this section.*

(c) Paragraphs (2), (3), and (4) of clause (b) shall apply only in the case of property (other than intangible property) described in clause (a) with a useful life of three years or more.

(1) the construction, reconstruction, or erection of which is completed after December 31, 1958, and then only to that portion of the basis which is properly attributable to such construction, reconstruction, or erection after December 31, 1958, or

(2) acquired after December 31, 1958, if the original use of such property commenced with the taxpayer and commences after such date.

(d) Where, under regulations prescribed by the commissioner, the taxpayer

and the commissioner have, after June 30, 1959, entered into an agreement in writing specifically dealing with the useful life and rate of depreciation of any property, the rate so agreed upon shall be binding on both the taxpayer and the commissioner in the absence of facts or circumstances not taken into consideration in the adoption of such agreement. The responsibility of establishing the existence of such facts and circumstances shall rest with the party initiating the modification. Any change in the agreed rate and useful life specified in the agreement shall not be effective for taxable years before the taxable year in which notice in writing by certified mail is served by the party to the agreement initiating such change.

(e) In the absence of an agreement under clause (d) containing a provision to the contrary, a taxpayer may at any time elect in accordance with regulations prescribed by the commissioner to change from the method of depreciation prescribed in clause (b) (2) to the method described in clause (b) (1).

(f) The basis on which exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property shall be the adjusted basis provided in sections 290.131 to 290.139, 290.14 and 290.15 for the purpose of determining the gain on the sale or other disposition of such property.

(g) In the case of property held by one person for life with remainder to another person, the deduction shall be computed as if the life tenant were the absolute owner of the property and shall be allowed to the life tenant. In the case of property held in trust the allowable deduction shall be apportioned between the income beneficiary and the trustee in accordance with the pertinent provisions of the instrument creating the trust, or, in the absence of such provisions, on the basis of the trust income allocable to each. In the case of an estate, the allowable deduction shall be apportioned between the estate and the heirs, legatees, and devisees on the basis of the income of the estate allocable to each.

(h) In the case of buildings or other structures or improvements constructed or made on leased premises by a lessee, and the fixtures and machinery therein installed, the lessee alone shall be entitled to the allowance of this deduction.

(B) [FIRST YEAR DEPRECIATION.] (a) In the case of section 1 property, the term "reasonable allowance" as used in subdivision 7, may, at the election of the taxpayer, include an allowance, for the first taxable year for which a deduction is allowable under subdivision 7, to the taxpayer with respect to such property, of 20 percent of the cost of such property.

(b) If in any one taxable year the cost of section 1 property with respect to which the taxpayer may elect an allowance under (a) for such taxable year exceeds \$10,000, then (a) shall apply with respect to those items selected by the taxpayer, but only to the extent of an aggregate cost of \$10,000. In the case of a husband and wife who file a joint return under section 290.38 for the taxable year, the limitation under the preceding sentence shall be \$20,000 in lieu of \$10,000.

(c) (1) The election under this subdivision for any taxable year shall be made within the time prescribed by law (including extensions thereof) for filing the return for such taxable year. The election shall be made in such manner as the commissioner may by regulations prescribe.

(2) Any election made under this subdivision may not be revoked except

with the consent of the commissioner.

(d) (1) For purposes of this subdivision, the term "Section 1 property" means tangible personal property (excluding buildings and structures)

(A) of a character subject to the allowance for depreciation under subdivision 7.

(B) acquired by purchase after December 31, 1958, for use in a trade or business or for holding for production of income, and

(C) with a useful life (determined at the time of such acquisition) of six years or more.

(2) For purposes of paragraph (1), the term "purchase" means any acquisition of property, but only if

(A) the property is not acquired from a person whose relationship to the person acquiring it would result in the disallowance of losses under section 290.10(6),

(B) the property is not acquired by one component member of a controlled group from another component member of the same controlled group, and

(C) the basis of the property in the hands of the person acquiring it is not determined

(i) in whole or in part by reference to the adjusted basis of such property in the hands of the person from whom acquired, or

(ii) under section 290.14(4) (relating to property acquired from a decedent).

(3) For purposes of this subdivision, the cost of property does not include so much of the basis of such property as is determined by reference to the basis of other property held at any time by the person acquiring such property.

(4) This subdivision shall not apply to trusts.

(5) In the case of an estate, any amount apportioned to an heir, legatee, or devisee shall not be taken into account in applying (B) of this subdivision to section 1 property of such heir, legatee, or devisee not held by such estate.

(6) For purposes of (B) of this subdivision

(A) all component members of a controlled group shall be treated as one taxpayer, and

(B) the commissioner shall apportion the dollar limitation contained in such (B) among the component members of such controlled group in such manner as he shall by regulations prescribe.

(7) For purposes of paragraphs (2) and (6), the term "controlled group" has the meaning assigned to it by section 1563(a) of the Internal Revenue Code of 1954, as amended through December 31, 1979, except that, for such purposes, the phrase "more than 50 percent" shall be substituted for the phrase "at least 80 percent" each place it appears in section 1563(a)(1) of the Internal Revenue Code of 1954, as amended through December 31, 1979.

Sec. 13. Minnesota Statutes 1981 Supplement, Section 290.18, Subdivision 4, is amended 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. 14. Minnesota Statutes 1981 Supplement, Section 290.53, Subdivision 1, is amended to read:

Subdivision 1. [FAILURE TO PAY TAX.] If any tax imposed by this chapter is not paid within the time herein specified for the payment thereof, or within 30 days after final determination of an appeal to the tax court relating thereto *if the taxpayer is not required to pay the amount in dispute pending appeal under section 15*, there shall be added thereto a specific penalty equal to ten percent of the amount so remaining unpaid. Such penalty shall be collected as part of said tax, and the amount of said tax not timely paid, together with said penalty shall bear interest at the rate specified in section 270.75 from the time such tax should have been paid until paid. Interest accruing upon the tax due as disclosed by the return or upon the amount determined as a deficiency from the date prescribed for the payment of the tax (if the tax is payable in installments, from the date the installment or installments become due and payable under the provisions of section 290.45, subdivision 1) shall be added to the tax and be collected as a part thereof. Where an extension of time for payment has been granted under section 290.45, subdivision 2, interest shall be paid at the rate specified in section 270.75 from the date when such payment should have been made if no extension had been granted, until such tax is paid. If payment is not made at the expiration of the extended period the penalties

provided in this section shall apply.

Sec. 15. [290.531] [PAYMENT OF TAX PENDING APPEAL.]

*When a taxpayer appeals his tax liability under chapter 290 to the tax court, and the amount in dispute is more than \$4,000, the entire amount of the tax shall be paid at the time it is due unless permission to continue prosecution of the petition without payment is obtained as provided herein. The petitioner, upon ten days notice to the commissioner, may apply to the court for permission to continue prosecution of the petition without payment; and, if it is made to appear*

*(1) That the proposed review is to be taken in good faith;*

*(2) That there is probable cause to believe that the taxpayer may be held exempt from the tax or that the tax may be determined to be less than 50 percent of the amount due; and*

*(3) That it would work a substantial hardship upon petitioner to pay the tax,*

*the court may permit the petitioner to continue prosecution of the petition without payment, or may fix a lesser amount to be paid as a condition of continuing the prosecution of the petition.*

*Failure to make payment of the amount required when due shall operate automatically to dismiss the petition and all proceedings thereunder unless the payment is waived by an order of the court permitting the petitioner to continue prosecution of the petition without payment.*

Sec. 16. Minnesota Statutes 1980, Section 297.02, is amended by adding a subdivision to read:

*Subd. 1a. [ADDITIONAL TAX.] In addition to the tax imposed pursuant to subdivision 1, 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.*

Sec. 17. Minnesota Statutes 1980, Section 297.13, Subdivision 1, is amended to read:

297.13 [REVENUE, DISPOSAL.]

Subdivision 1. [CIGARETTE TAX APPORTIONMENT ACCOUNT.] Notwithstanding any other provisions of law, five and one-half percent of the revenues received from taxes, penalties and interest under sections 297.01 to 297.13 except for that which is paid under section 297.02, subdivision 1a, shall be deposited by the commissioner of revenue in the general fund and credited to a special account to be known as the "natural resources account," which is hereby created. Expenditures shall be made from said account only as may be authorized by law to carry out the provisions of this act and in conformance with the provisions of chapter 16. Five and one-half percent except for that which is paid under section 297.02, subdivision 1a, shall be deposited in



the general fund and credited to the "natural resources acceleration" account for the purposes provided in Laws 1969, Chapter 879, Section 4. The balance of the revenues derived from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be deposited by the commissioner in the general fund and credited to the general fund.

Sec. 18. Minnesota Statutes 1980, Section 297.22, is amended by adding a subdivision to read:

*Subd. 1a. [ADDITIONAL TAX.] In addition to the tax imposed pursuant to subdivision 1, 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.*

Sec. 19. Minnesota Statutes 1980, Section 297.26, is amended to read:

297.26 [REVENUE DISTRIBUTION.]

All revenues derived from taxes, penalties and interest under sections 297.21 to 297.26 shall be deposited by the commissioner in the general fund and disposed of in the same manner as provided by section 297.13 for revenues received under sections 297.01 to 297.13 *except that no amount of the revenue from the additional tax imposed pursuant to section 297.22, subdivision 1a, shall be credited to the natural resources account or to the natural resources acceleration account.*

Sec. 20. Minnesota Statutes 1980, Section 297A.39, Subdivision 1, is amended to read:

Subdivision 1. If any tax imposed by sections 297A.01 to 297A.44, or any portion thereof, is not paid within the time herein specified for the payment, or an extension thereof, or within 30 days after final determination of an appeal to the tax court relating thereto *if the taxpayer is not required to pay the amount in dispute pending appeal under section 21*, there shall be added thereto a specific penalty equal to ten percent of the amount remaining unpaid.

Sec. 21. [297A.391] [PAYMENT OF TAX PENDING APPEAL.]

*When a taxpayer appeals his tax liability under chapter 297A to the tax court, and the amount in dispute is more than \$4,000, the entire amount of the tax shall be paid at the time it is due unless permission to continue prosecution of the petition without payment is obtained as provided herein. The petitioner, upon ten days notice to the commissioner, may apply to the court for permission to continue prosecution of the petition without payment; and, if it is made to appear*

*(1) That the proposed review is to be taken in good faith;*

*(2) That there is probable cause to believe that the taxpayer may be held exempt from payment of the tax or that the tax may be determined to be less than 50 percent of the amount due; and*

*(3) That it would work a substantial hardship upon petitioner to pay the tax,*

*the court may permit the petitioner to continue prosecution of the petition without payment, or may fix a lesser amount to be paid as a condition of continuing the prosecution of the petition.*

*Failure to make payment of the amount required when due shall operate automatically to dismiss the petition and all proceedings thereunder unless the payment is waived by an order of the court permitting the petitioner to continue prosecution of the petition without payment.*

Sec. 22. Minnesota Statutes 1981 Supplement, Section 477A.03, Subdivision 2, is amended to read:

Subd. 2. [LIMITATION ON APPROPRIATION; PROPORTIONATE REDUCTION.] The amount appropriated under subdivision 1 shall not exceed \$270,725,464 \$250,725,464 for calendar year 1982 and shall not exceed \$293,561,978 for calendar year 1983. If the limitations contained in this subdivision result in a reduction in the amounts determined pursuant to sections 477A.012 and 477A.013, 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. 23. [PRORATION OF 1982 AID PAYMENTS.]

*Notwithstanding the provisions of Minnesota Statutes, Chapter 477A or any other law to the contrary, the reduction in state aids payable to local governments required under section 22 shall be effected by providing a pro rata reduction of the aids that would have been paid to each county and municipality under the provisions of Minnesota Statutes 1981 Supplement, Sections 477A.011 to 477A.014 if there had been no such reduction.*

Sec. 24. Laws 1981, First Special Session, Chapter 1, Article I, Section 5, is amended to read:

Sec. 5. [TRANSITIONAL PROVISION.]

Notwithstanding the provisions of sections 1, 2, and 3, for taxable years beginning after December 31, 1980 and before January 1, 1982 the inflation adjustment of the income tax brackets, credits, and maximum standard deduction shall be the arithmetic average of (1) the percentage computed pursuant to Minnesota Statutes 1980, Sections 290.06, Subdivisions 2d and 3g, and 290.09, Subdivision 15, as applicable and (2) the percentage computed pursuant to section 1 of this article. The taxable net income adjustment factor for taxable years beginning after December 31, 1980 and before January 1, 1982 shall be ~~one-half of the amount computed pursuant to section 4~~ computed as follows: *the taxable net income adjustment factor calculated pursuant to Laws 1981, First Special Session, Chapter 1, Article 1, Section 4 minus one shall be divided by two and the resulting quotient added to one.*

Sec. 25. [REPEALER.]

*Minnesota Statutes 1980, Section 121.904, Subdivision 4, is repealed.*

Sec. 26. [EFFECTIVE DATE.]

*Sections 1 to 5 and 8 are effective July 1, 1982. Section 6 is effective for taxes levied in 1981 and thereafter, payable in 1982 and thereafter. Section 12 is effective the day following final enactment. Sections 13 and 24 are effective for*

taxable years beginning after December 31, 1980. Sections 14, 15, 20, and 21 are effective for petitions filed after January 1, 1982. Sections 16, 17, 18, and 19 are effective January 1, 1982. Section 25 is effective January 1, 1983.

#### ARTICLE IV

#### BUSINESS TAX

##### Section 1. [STATEMENT OF LEGISLATIVE INTENT.]

The legislature finds that certain provisions of the state income tax law generally applied to corporations produce an inequitable result when applied to major oil companies, allowing those companies to escape taxation on a great proportion of their profits. The legislature further finds that there are at least two causes of this inequity: First, during the last several years, major oil companies have increased both the prices charged for their products and the profits realized from their enterprises by extraordinary amounts, greatly in excess of the price and profit increases of other businesses in this state, resulting in an enormous outflow of public and private capital from the state. Second, the complexity of structure of most major oil companies, together with certain tax shelter provisions currently used on a grand scale by the companies, allows major oil companies to be taxed on only a very small proportion of their profits. Because the primary objective of the income tax law is to raise essential government revenues by fairly distributing the tax burden among taxpayers, it is declared that certain changes in the income tax law, as they apply to major oil companies, must be effected in order that those companies will bear a fair and equitable share of the statewide tax burden.

Sec. 2. Minnesota Statutes 1980, Section 290.01, is amended by adding a subdivision to read:

*Subd. 28. [MAJOR OIL COMPANY.] The term "major oil company" means a corporation which is engaged in all of the following activities: (1) the extraction or production of crude oil in excess of an average of 100,000 barrels of crude oil per day; (2) the refining of crude oil in excess of an average of 100,000 barrels of crude oil per day; and (3) the marketing or distribution for marketing in this state of gasoline, motor fuel, fuel oil, and similar products from the refining or manufacture of crude oil. A major oil company includes a parent corporation and the subsidiaries of a company engaging in a unitary business if the parent itself or through one or more of its subsidiaries individually or collectively comes within the definition of a major oil company and markets or distributes petroleum or petroleum products in Minnesota.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 1, is amended to read:

*Subdivision 1. [LIMITATIONS.] (a) Except as provided in clause (b), the following deductions from gross income shall be allowed in computing net income, provided that any item which was deducted in arriving at gross income under the provisions of section 290.01, subdivision 20, shall not be again deducted under this section.*

Property taxes may not be deducted under this section if

(1) The taxes are attributable to a trade or business carried on by an individual, or

(2) The taxes are expenses for the production of income which are paid or

incurred by an individual; and which are not allowed as a deduction under section 164 of the Internal Revenue Code of 1954, as amended through December 31, 1980.

*(b) A major oil company shall not deduct amounts otherwise deductible for depletion or intangible drilling costs, including ordinary loss deductions taken for nonproductive wells, with respect to the production of petroleum, not including the production of natural gas.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 290.091, is amended to read:

290.091 [MINIMUM TAX ON PREFERENCE ITEMS.]

In addition to all other taxes imposed by this chapter there is hereby imposed, a tax which, in the case of a resident individual, shall be equal to 40 percent of the amount of the taxpayer's minimum tax liability for tax preference items pursuant to the provisions of sections 55 to 58 and 443(d) of the Internal Revenue Code of 1954 as amended through December 31, 1980 except that for purposes of the tax imposed by this section, capital gain as defined in section 57(a) of the Internal Revenue Code shall not include that portion of any gain occasioned by sale, transfer or the granting of a perpetual easement pursuant to any eminent domain proceeding or threat thereof as described in section 290.13, subdivision 5. This modification shall apply to the years in which the gain or reduction in loss is actually included in federal adjusted gross income even though amounts received pursuant to the eminent domain proceedings were received in prior years. In the case of a taxpayer other than a corporation, an amount equal to one-half of the net capital gain for the taxable year shall be used as the definition of capital gain in place of the deduction determined under section 1202 of the Internal Revenue Code. In the case of a resident individual, having preference items which could not be taken to reduce income from sources outside the state pursuant to section 290.17, subdivision 1, or any other taxpayer the tax shall equal 40 percent of that federal liability, multiplied by a fraction the numerator of which is the amount of the taxpayer's preference item income allocated to this state pursuant to the provisions of sections 290.17 to 290.20, and the denominator of which is the taxpayer's total preference item income for federal purposes. *In the case of a major oil company, any amount deducted for depletion for federal tax purposes but not deductible for state tax purposes pursuant to section 290.09, subdivision 1, clause (b) shall not be considered a tax preference item.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 290.17, Subdivision 2, is amended to read:

Subd. 2. [OTHER TAXPAYERS.] In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:

(1) 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 290.25 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), *nor shall it apply to income from the operation of a farm which is subject to the provisions of clause (2)*. For the purposes of this clause, a trade or business located in Minnesota is carried on partly within and partly without this state if tangible personal property is sold by such trade or business and delivered or shipped to a purchaser located outside the state of Minnesota.

*If the trade or business carried on wholly or partly in Minnesota is part of a unitary business, the entire income of that unitary business shall be subject to apportionment under section 290.19. The term "unitary business" means a number of business activities or operations which are of mutual benefit, dependent upon, or contributory to one another, individually or as a group. Unity is presumed whenever there is unity of ownership, operation, and use, evidenced by centralized management or executive force, centralized purchasing, advertising, accounting, or other controlled interaction. Unity is also presumed whenever the activities or operations of one unit are similar or related to the group's principal activities and not an unrelated discrete business enterprise.*

*The entire income of a unitary business, including all income from each*

*activity, operation, or division, shall be subject to apportionment as provided in section 290.19. None of the income of a unitary business shall be considered as derived from any particular source, and none shall be allocated to any particular place except as provided by the applicable apportionment formula.*

In determining whether or not intangible property is employed in a unitary business carried on partly within and partly without this state so that income derived therefrom is subject to apportionment under section 290.19 the following rules and guidelines shall apply.

(a) Intangible property is employed in a business if the business entity owning intangible property holds it as a means of furthering the business operation of which a part is located within the territorial confines of this state.

(b) Where a business operation conducted in Minnesota, is owned by a business entity which carries on business activity outside of the state different in kind from that conducted within this state, and such other business is conducted entirely outside the state, it will be presumed that the two business operations are unitary in nature, interrelated, connected and interdependent unless it can be shown to the contrary.

(5) 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 290.08, subdivision 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, 409 or 409A 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. 6. Minnesota Statutes 1980, Section 290.19, Subdivision 1, is amended to read:

Subdivision 1. [COMPUTATION, BUSINESS CONDUCTED PARTLY WITHIN STATE; APPORTIONMENT.] The taxable net income from a trade or business carried on partly within and partly without this state shall be computed by deducting from the gross income of such business, wherever derived, deductions of the kind permitted by section 290.09, so far as connected with or allocable against the production or receipt of such income. The remaining net income shall be apportioned to Minnesota as follows:

(1) If the business consists of the mining, producing, smelting, refining, or any combination of these activities of copper and nickel ores, or of the manufacture of personal property and the sale of said property within and without

the state, the remainder shall be apportioned to Minnesota on the basis of the percentage obtained by taking the arithmetical average of the following three percentages:

(a) The percentage which the sales made within this state is of the total sales wherever made;

(b) The percentage which the total tangible property, real, personal, and mixed, owned or rented, and used by the taxpayer in this state during the tax period in connection with such trade or business is of the total tangible property, real, personal, or mixed, wherever located, owned or rented and, used by the taxpayer in connection with such trade or business during the tax period; and,

(c) The percentage which the taxpayer's total payrolls paid or incurred in this state or paid in respect to labor performed in this state in connection with such trade or business is of the taxpayer's total payrolls paid or incurred in connection with such entire trade or business;

(d) The percentage of such remainder to be assigned to this state shall not be in excess of the sum of the following percentages: 70 percent of the percentage determined under clause (1) (a), 15 percent of the percentage determined under clause (1) (b), and 15 percent of the percentage determined under clause (1) (c);

*(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;*

~~(2)~~ (3) (a) In all other cases the remainder shall be apportioned to Minnesota on the basis of the percentage obtained by taking the arithmetical average of the following three percentages:

(1) The percentage which the sales, gross earnings, or receipts from business operations, in whole or in part, within this state bear to the total sales, gross earnings, or receipts from business operations wherever conducted;

(2) The percentage which the total tangible property, real, personal, and mixed, owned or rented, and used by the taxpayer in this state during the tax period in connection with such trade or business is of the total tangible property, real, personal, or mixed, wherever located, owned, or rented, and used by the taxpayer in connection with such trade or business during the tax period; and

(3) The percentage which the taxpayer's total payrolls paid or incurred in this state or paid in respect to labor performed in this state in connection with such trade or business is of the taxpayer's total payrolls paid or incurred in connection with such entire trade or business;

(4) The percentage of such remainder to be assigned to this state shall not be in excess of the sum of the following percentages: 70 percent of the percentage determined under clause ~~(2)~~ (3) (a) (1), 15 percent of the percentage determined under clause ~~(2)~~ (3) (a) (2), and 15 percent of the percentage determined under clause ~~(2)~~ (3) (a) (3);

(b) If the methods prescribed under clause ~~(2)~~ (3) (a) will not properly reflect taxable net income assignable to the state, there may be used, if practicable and

if such use will properly and fairly reflect such income, the percentage which the sales, gross earnings, or receipts from business operations, in whole or in part, within this state bear to the total sales, gross earnings, or receipts from business operations wherever conducted; or the separate or segregated accounting method. *If the commissioner determines that the methods prescribed in clause (3) will not properly reflect the taxable net income of a major oil company assignable to the state he shall use only the sales factor to determine the amount so assignable;*

(3) (4) The sales, payrolls, earnings, and receipts referred to in this section shall be those for the taxable year in respect of which the tax is being computed. The property referred to in this section shall be the average of the property owned or used by the taxpayer during the taxable year in respect of which the tax is being computed.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 290.21, Subdivision 4, is amended to read:

Subd. 4. (a) 85 percent of dividends received by a corporation during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or when the trade or business of the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such other corporation, and the dividends were paid from income arising out of business done in this state by the corporation paying such dividends; but if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the remainder shall be allowed as a deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof; the burden shall be on the taxpayer of showing that the amount of remainder claimed as a deduction has been received from income arising out of business done in this state,

(b) if the trade or business of the taxpayer consists principally of the holding of the stocks and the collection of the income and gains therefrom, dividends received by a corporation during the taxable year from another corporation, if the recipient owns 80 percent or more of all the voting stock of such other corporation, from income arising out of business done in this state by the corporation paying such dividends; but, if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the dividends shall be allowed as deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof. The burden shall be on the taxpayer of showing that the amount of dividends claimed as a deduction has been received from income arising out of business done in this state.



(c) The dividend deduction provided in this subdivision shall be allowed only with respect to dividends that are included in a corporation's Minnesota taxable net income for the taxable year.

(d) *In the case of a major oil company, no credit shall be allowed for dividends received from a foreign corporation, unless the dividends are received from a subsidiary whose income is combined with that of the parent company receiving the dividend pursuant to section 290.01, subdivision 28.*

(e) *In the case of a corporation which is permitted or required to file a combined report under section 290.34, subdivision 2, dividends shall be excluded from the income of the recipient to the extent the dividends are already included as income on the combined report.*

Sec. 8. Minnesota Statutes 1980, Section 290.34, Subdivision 2, is amended to read:

Subd. 2. [AFFILIATED OR RELATED CORPORATIONS, CONSOLIDATED STATEMENTS.] When a corporation which is required to file an income tax return is affiliated with or related to any other corporation through stock ownership by the same interests or as parent or subsidiary corporations, or has its income regulated through contract or other arrangement, the commissioner of revenue may permit or require ~~such consolidated statements as a combined report if, in his opinion, are it is necessary in order to determine the taxable net income received by any one of the affiliated or related corporations.~~ *For purposes of computing the apportionment formula under section 290.19, subdivision 1, for each corporation involved, the numerator of the fraction shall be that corporation's sales, property, or payroll in Minnesota and the denominator shall be the total sales, payroll, and property of all of the corporations shown on the combined report. The combined report shall reflect the income of the entire unitary business as provided in section 290.17, subdivision 2, clause (4). The combined report shall reflect income from corporations wherever created or organized. It is the intent of the legislature to adopt the combined reporting method provided in Butler Brothers v. McColgan, 111 P.2d 334, and 315 U.S. 501, and Edison California Stores v. McColgan, 183 P.2d 16, and to treat all income as business income to the maximum extent allowable under Mobil Oil Corporation v. Commissioner of Taxes of Vermont, 445 U.S. 425.*

Sec. 9. [EFFECTIVE DATE.]

*Sections 1 to 4, 5, as amended in clause (4) the first paragraph, 6, and 7, clause (d) are effective for taxable years beginning after December 31, 1981. The remainder of section 5, section 7, clause (e), and section 8 are effective for taxable years beginning after June 30, 1981.*

## ARTICLE V

### MUNICIPAL AIDS REPAYMENT

Section 1. [DEFINITIONS.]

*For purposes of sections 1 to 3 the following terms have the meanings given:*

(a) "Municipality" means a county, statutory or home rule charter city, town, or other taxing district within the meaning of section 273.13, subdivision 15a, other than a school district; and

(b) "Commissioner" means the commissioner of revenue.

## Sec. 2. [FULL PAYMENT OF AIDS TO MUNICIPALITIES.]

*Subdivision 1. [PAYMENTS REQUIRED.] Notwithstanding the provisions of sections 16A.14 and 16A.15, by February 26, 1982, the commissioner of finance shall draw warrants for the amounts appropriated to the commissioner of revenue for the following state aids, payments, reimbursements, or fund transfers to or on behalf of municipalities, to the extent that they were deferred or withheld pursuant to sections 16A.14 or 16A.15:*

(a) *Payments of local government aid to be made during November and December, 1981 pursuant to section 477A.015,*

(b) *Payments of attached machinery aids to be made during November and December, 1981 pursuant to section 273.138, subdivisions 2 and 5,*

(c) *Subject to the limits contained in Laws 1981, First Special Session, Chapter 1, Article 3, Section 3, payments to be made during November and December, 1981 pursuant to section 273.139, and section 273.13, subdivision 15a to replace revenue lost as a result of sections 273.115, 273.116, and 273.13, subdivisions 6, 7, or 14a, and*

(d) *Any state aids, payments, reimbursements or fund transfers to be made during November and December, 1981 pursuant to any law other than those specified in clauses (a) to (c).*

*Subd. 2. [CERTIFICATION OF AMOUNT.] The commissioner shall, on or before December 28, 1981, certify to each municipality the amount of aids, payments, reimbursements or fund transfers deferred or withheld pursuant to section 16A.14 or 16A.15 and subject to subdivision 1. In connection with certifying the amount to the municipality the commissioner shall issue to and transmit to the municipality a certificate of aids to be paid by February 26, 1982.*

*Subd. 3. [PAYMENT OF INTEREST.] The state shall pay interest on the aids, payments, reimbursements or fund transfers deferred or withheld pursuant to section 16A.14 or 16A.15 and subject to subdivision 1. Interest shall be calculated as simple interest, at a rate equal to the average yield for the Bond Buyer's Index of 20 Municipals, published for the week in which the deferred payment was scheduled to be made to the municipality pursuant to the appropriate statutory provision.*

## Sec. 3. [AUTHORITY TO BORROW MONEY.]

*Subdivision 1. [BORROWING IN ANTICIPATION OF AIDS.] The governing body of the municipality may borrow money in anticipation of the receipt of state aids, payments, reimbursements or fund transfers scheduled to be made on or before February 26, 1982, and may issue certificates of indebtedness upon passage of a resolution specifying the amount and purposes for which it deems the borrowing is necessary. The resolution shall fix the amount, date, maturity, denomination, and other terms of the certificates and shall fix the terms of the sale of the certificates.*

*Subd. 2. [REPAYMENT; SECURITY.] The governing body of the municipality may pledge the full faith and credit of the municipality, and the proceeds of any tax levies, future state aid receipts, or other municipal funds which may*

become available to repay certificates issued pursuant to this section. The governing body may provide in the resolution that it will assign a certificate received pursuant to section 2, subdivision 2, and the moneys due thereunder as collateral for repayment of the certificates of indebtedness. An assignment is effective only upon registration of the assignment with the commissioner. The commissioner shall pay any funds due under an assigned certificate to the assignee.

*Subd. 3. [INTEREST RATE.] Certificates of indebtedness may be sold at a price equal to such percentage of the par value of the certificates, plus accrued interest, and bearing interest at a rate or rates agreed upon by the governing body of the municipality and the purchaser or underwriter of the certificates or as determined at public sale, notwithstanding any limitation of interest rate or cost contained in chapter 475 or any other law or city charter to the contrary.*

Sec. 4. [APPROPRIATION.]

*An amount sufficient to pay the interest payable under section 2, subdivision 3 is appropriated from the general fund to the commissioner of revenue.*

Sec. 5. [EFFECTIVE DATE.]

*Sections 1 to 4 are effective the day following final enactment.*

## ARTICLE VI

### SHORT-TERM BORROWING

Section 1. Minnesota Statutes 1981 Supplement, Section 16A.671, Subdivision 3, is amended to read:

*Subd. 3. [LIMITATIONS OF AMOUNT.] The principal amount of certificates of indebtedness to be sold and issued at any time shall not exceed the smallest of the following:*

(a) An amount which, with interest thereon to maturity, added to the then outstanding amount of certificates, less the amount thereof, if any, which will be paid from the proceeds, and interest thereon to maturity, will equal the then unexpended balance of all money which will be credited to the general fund during the current biennium under existing laws, as estimated by the commissioner of finance; or

(b) ~~An amount which, with the principal amount of any outstanding certificates equals \$360,000,000; or~~

(e) The maximum current cash flow requirement.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 16A.671, Subdivision 5, is amended to read:

*Subd. 5. [SALE.] Certificates of indebtedness shall be sold by the commissioner of finance upon public advertisement for competitive bids, except that:*

(a) They may be sold to the state board of investment without advertisement for bids, upon terms on which, in the judgment of the board, investments of comparable maturities and security can at the time be purchased from funds under its control, *including the state bond fund and other special or dedicated funds described in clause (c) of subdivision 2 provided that interest shall be paid on these certificates at market rates notwithstanding any other provision*

*of law to the contrary;*

(b) The commissioner may negotiate with a suitable bank or banks within or outside the state for a line of credit whereby certificates of indebtedness may be issued from time to time within an agreed period, at a fixed or variable interest rate and subject to redemption at par plus accrued interest at any time at the option of the commissioner; or

(c) The commissioner may negotiate with a firm or firms of underwriters to act as an agent in the placement of certificates of indebtedness maturing on a date four months or less from the date of issue, which may be sold to investors at a specified discount representing the interest included in the face amount payable at maturity, or at a stated interest rate on a stated principal amount, payable at maturity.

Sec. 3. [EFFECTIVE DATE.]

*This article is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983 with certain conditions; providing for a deficiency in income maintenance appropriations; providing for state scholarships and grants-in-aid; imposing and increasing fees; imposing various cost saving measures; requiring the board of regents of the university, the state university board, the community college board and the state board for vocational education to develop plans for declining enrollment; providing that parties to administrative hearings will bear the cost of court reporters under certain circumstances; authorizing attorney general to appear in civil weight enforcement actions; modifying certain procedures for appeals of workers' compensation orders; providing certain workers' compensation settlements are conclusively presumed reasonable; modifying approval by the commissioner of labor and industry of the settlement of certain workers' compensation claims; eliminating the requirement that the commissioner of veterans affairs provide certain grave markers; changing certain provisions governing aid to families with dependent children as authorized or required by federal law; changing or adding provisions governing definitions, eligibility standards, payment levels and amounts, income disregards, budgeting methods, child support or maintenance orders; eliminating a general stepparents' support duty and coverage of the unborn; specifying medical assistance for certain pregnant women; changing calculation of certain fees paid by foreign corporations; shortening time for abandonment of unclaimed property; changing requirements for reduced transit fares for certain persons; increasing the property tax mill rate of the transit taxing district; authorizing the transfer of certain funds from the salary supplement; repealing review of administrative rules for business licenses; authorizing the transfer of certain funds appropriated to the higher education coordinating board for obligations under interstate tuition reciprocity agreements; providing for the reduction of education aids; changing formula allowance; raising the basic maintenance mill rate; establishing an equalizing factor; extending dates of exemption from public sale of certificates of indebtedness; authorizing recertification of levy; altering the recognition of school district tax revenue; requiring payment of 70 percent of the estimated school district tax receipts within 15 days after the settlement date; establishing a cash flow loan fund; delaying education aid payments; providing that home-

stead credit applies to certain special levies; eliminating the individual housing account provisions; providing an additional adjustment of individual income tax brackets; modifying the income taxation of commodity tax straddles; clarifying the application and computation of the taxable net income adjustment factor; prohibiting the commissioner of revenue from adopting certain depreciation schedules by rule; requiring payment of certain income and sales taxes pending appeal; increasing the excise taxes on cigarettes; reducing the maximum local aid appropriation; requiring payments of local aids and authorizing local borrowing in anticipation of the aids; altering the method of taxing the income of certain oil companies by prohibiting their use of certain deductions, and of the arithmetic average; requiring the use of combined worldwide income by corporations; providing that farm income is wholly apportioned to Minnesota; removing the dollar limitation on state short-term borrowing; appropriating money; amending Minnesota Statutes 1980, Sections 121.904, by adding a subdivision; 176.421, Subdivision 3; 176.521, by adding a subdivision; 184.30, Subdivision 2; 197.23; 221.67; 256.12, Subdivision 14, and by adding subdivisions; 256.73, Subdivisions 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.99; 256B.07; 268.16, Subdivision 3; 276.11; 278.03; 290.01, by adding a subdivision; 290.19, Subdivision 1; 290.34, Subdivision 2; 297.02, by adding a subdivision; 297.13, Subdivision 1; 297.22, by adding a subdivision; 297.26; 297A.39, Subdivision 1; 303.07; 303.13, Subdivision 1; 303.14, Subdivisions 1, 3, and 5; 303.16, Subdivisions 2 and 4; 303.17, Subdivision 4; 303.18, Subdivision 3; 303.19, Subdivisions 2 and 3; 303.21, by adding a subdivision; 303.22; 303.23, Subdivision 1; 308.06, Subdivision 4; 308.85; 317.04, Subdivisions 2 and 3; 317.36; 317.42, Subdivision 3; 317.67, Subdivision 2; 330.01, Subdivision 1; 345.32; 345.33; 345.34; 345.37; 345.38; 345.39; 473.408, Subdivision 3; 540.152; and 543.08; Minnesota Statutes 1981 Supplement, Sections 3.9222, Subdivision 2; 15.052, Subdivision 5; 16A.128; 16A.15, Subdivision 1; 16A.671, Subdivisions 3 and 5; 124.2121, Subdivision 4 and 5; 124.2122, Subdivisions 1 and 2; 169.871, Subdivisions 3 and 5; 169.872, Subdivision 1; 174.24, Subdivision 3a; 174.31, Subdivisions 1 and 3; 176.131, Subdivision 10; 176.421, Subdivisions 4 and 5; 176.521, Subdivisions 1 and 2; 204B.11, Subdivision 1; 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding a subdivision; 256B.06, Subdivision 1; 273.13, Subdivision 15b; 290.01, Subdivision 20; 290.06, Subdivision 2d; 290.09, Subdivisions 1, 3 and 7; 290.091; 290.17, Subdivision 2; 290.18, Subdivision 4; 290.21, Subdivision 4; 290.53, Subdivision 1; 302A.901, Subdivision 2; 473.446, Subdivision 1; 477A.03, Subdivision 2; and 518.551, Subdivision 7; and Laws 1981, Chapters 356, Sections 45, 46, and 62, Subdivision 2; 358, Articles 1, Section 50, Subdivision 3; and 7, Section 29; 359, Section 3, Subdivision 3; First Special Session, Chapter 1, Article 1, Section 5; proposing new law coded in Minnesota Statutes, Chapters 5, 35, 124, 256, 290, and 297A; repealing Minnesota Statutes 1980, Sections 121.904, Subdivision 4; 256.935, Subdivision 2; 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; and 317.67, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 3.965, Subdivision 6; 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.20, Subdivision 3; 124.781; 257.021; 275.125, Subdivision 2f; 290.08, Subdivision 25; and 362.453; Laws 1981, First Special Session, Chapter 2, Sections 2, Subdivision 2; and 9."

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

House Conferees: (Signed) Irvin N. Anderson, Michael R. Sieben, Carl M. Johnson, Willis R. Eken, Harry A. Sieben, Jr.

Senate Conferees: (Signed) Roger D. Moe, Marv Hanson, Douglas J. Johnson, Gerald L. Willet, Neil Dieterich

Mr. Moe, R.D. moved that the foregoing recommendations and Conference Committee Report on H.F. No. 14 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. 14 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 36 and nays 29, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Menning	Purfeerst	Stumpf
Bertram	Johnson	Merriam	Schmitz	Waldorf
Chmielewski	Knoll	Moe, R. D.	Setzepfandt	Wegener
Dahl	Kroening	Nelson	Sikorski	Willet
Davis	Langseth	Pehler	Solon	
Dicklich	Lantry	Penny	Spear	
Dieterich	Lessard	Peterson, C.C.	Stern	
Hanson	Luther	Petty	Stokowski	

Those who voted in the negative were:

Ashbach	Brataas	Kamrath	Peterson, D.L.	Sieloff
Bang	Davies	Keefe	Peterson, R.W.	Taylor
Belanger	Engler	Knutson	Pillsbury	Tennesen
Benson	Frank	Kronebusch	Ramstad	Ulland
Berg	Frederick	Lindgren	Renneke	Vega
Bernhagen	Frederickson	Olhoft	Rued	

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 7:00 p.m. The motion prevailed.

The hour of 7:00 p.m. having arrived, the President called the Senate to order.

## MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:30 a.m., Tuesday, December 22, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD SPECIAL SESSION

#### ELEVENTH DAY

St. Paul, Minnesota, Tuesday, December 22, 1981

The Senate met at 11:30 a.m. and was called to order by the President.

#### CALL OF THE SENATE

Mr. Hanson 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	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	Purfeerst	Taylor
Berglin	Frederickson	Luther	Ramstad	Tennessee
Bernhagen	Hanson	Menning	Renneke	Ulland
Bertram	Hughes	Merriam	Rued	Vega
Brataas	Johnson	Moe, R.D.	Schmitz	Waldorf
Chmielewski	Kamrath	Nelson	Setzepfandt	Wegener
Dahl	Keefe	Olhoft	Sieloff	Willet
Davies	Knoll	Pehler	Sikorski	
Davis	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. Humphrey; Knutson; Moe, D.M. and Pillsbury were excused from the Session of today.

#### 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.

#### RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 12:45 p.m. The motion prevailed.

The hour of 12:45 p.m. having arrived, 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.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted: House Concurrent Resolution No. 1.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted December 22, 1981

House Concurrent Resolution No. 1: A House concurrent resolution relating to adjournment of the Senate and House of Representatives.

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

(1) Upon their adjournments on December 22, 1981, the House of Representatives may set its next day of meeting for Wednesday, December 30, 1981, at 1:00 p.m. and the Senate may set its next day of meeting for Wednesday, December 30, 1981, at 1:00 p.m.

(2) By adoption of this resolution, each house consents to adjournment of the other body for more than three days.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

### MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. moved that H.F. Nos. 2 and 4 be taken from the table. The motion prevailed.

Mr. Moe, R.D. moved that H.F. Nos. 2 and 4 be given their second readings. The motion prevailed.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 2 and 4 were read the second time.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that H.F. Nos. 2 and 4 be laid on the table. The motion prevailed.

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 and referred to the committee indicated.



Messrs. Ashbach; Belanger; Peterson, D.L. and Benson introduced—

S.F. No. 28: A bill for an act relating to the operation and financing of state government, local government and school districts; reducing certain appropriations; transferring certain appropriations reductions to the general fund; cancelling the appropriation of certain funds presently allotted to agencies for consultant contracts; mandating the layoff of certain persons in the unclassified civil service; providing for the reduction of appropriated educational aids; suspending grandfather aid, replacement aid, and aid attributable to AFDC pupil units for school years 1981-1982 and 1982-1983; authorizing supplemental aid to school districts for school years 1981-1982 and 1982-1983; establishing payment of supplemental aid; increasing minimum awards for scholarships and grants-in-aid; altering certain provisions of the program of aid to families with dependent children; redefining the term "dependent child"; expanding the definition of persons ineligible; eliminating eligibility of the unborn; requiring rules to define "special needs" for eligible pregnant women; requiring recoupment of overpayments; requiring registration of certain dependent recipients for employment services, training, and employment; restricting the earned income disregard to four months; restricting work expense disregards; providing for voluntary third party payments; eliminating eligibility for recipients participating in a strike; eliminating a prepaid funeral contract and reverse mortgage loan guarantees as disregarded resources; modifying the service fee for child support collection services; modifying the resource limits for recipients of aid to families with dependent children; limiting "property taxes payable" for purposes of the property tax refund; limiting eligibility for targeting; authorizing treasurer to borrow certain funds; reducing certain additional employer contributions; providing a temporary discontinuance of certain employer contributions payable by governmental subdivisions; appropriating money; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14; 256.73, Subdivisions 3a, 5, 6, and by adding a subdivision; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1; 256.81; 256.871, Subdivision 2; 256.935, Subdivision 2; 256.99; 256B.04, by adding a subdivision; 256D.02, Subdivision 11; 261.21, Subdivision 1, and by adding subdivisions; 298.224; 298.294; 353.27, Subdivision 3a; Minnesota Statutes 1981 Supplement, Sections 124.11, by adding a subdivision; 136A.121, Subdivisions 4 and 5; 256.73, Subdivision 2; 256.966; 256.967; 256.968; 256B.02, Subdivision 8; 256B.06, Subdivision 1; 256D.04; 256D.07; 290A.03, Subdivision 13; 290A.04, Subdivision 2d; 477A.03, Subdivision 2; 518.551, Subdivision 7; Laws 1981, First Special Session, Chapter 1, Article III, Section 3; and proposing new law coded in Minnesota Statutes, Chapters 124 and 256; repealing Minnesota Statutes 1980, Sections 10A.30; 10A.31, Subdivisions 2, 3a, 4, 6, 7, 8, 9, 10 and 11; 10A.32, Subdivisions 1, 2, 3, 3a, and 3b; 10A.33; 10A.335; 256D.02, Subdivision 4a; 256D.03, Subdivision 3; 261.21, Subdivision 2; 261.22; 261.23; 261.231; 261.232; 477A.11; 477A.12; 477A.14; Minnesota Statutes 1981 Supplement, Sections 10A.31, Subdivisions 1, 3, and 5; 10A.32, Subdivision 4; 256D.03, Subdivision 4; 290.06, Subdivision 3g; and 477A.13.

Referred to the Committee on Finance.

#### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 1:00 p.m., Wednesday, December 30, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD SPECIAL SESSION

#### TWELFTH DAY

St. Paul, Minnesota, Wednesday, December 30, 1981

The Senate met at 1:00 p.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, Rev. M.E. Sandness.

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

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

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; Keefe; Knutson; Moe, D.M.; Sieloff; Spear and Stern were excused from the Session of today.

#### RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 7:00 p.m. The motion prevailed.

The hour of 7:00 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 in-

structed to bring in the absent members.

### MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Thursday, December 31, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD SPECIAL SESSION

#### THIRTEENTH DAY

St. Paul, Minnesota, Thursday, December 31, 1981

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

Prayer was offered by the Chaplain, Rev. Winfield V. Johnson.

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

Ashbach	Dicklich	Kronebusch	Peterson, C.C.	Sikorski
Belanger	Dieterich	Langseth	Peterson, D.L.	Solon
Benson	Engler	Lantry	Peterson, R.W.	Stokowski
Berg	Frank	Lessard	Petty	Stumpf
Berglin	Frederick	Lindgren	Pillsbury	Taylor
Bernhagen	Frederickson	Luther	Purfeerst	Tennesen
Bertram	Hanson	Menning	Ramstad	Ulland
Brataas	Johnson	Merriam	Renneke	Vega
Chmielewski	Kamrath	Moe, R.D.	Rued	Willet
Dahl	Knoll	Nelson	Schmitz	
Davies	Knutson	Pehler	Setzepfandt	
Davis	Kroening	Penny	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. Hughes; Keefe; Moe, D.M.; Olhoft; Spear; Stern; Waldorf and Wegener were excused from the Session of today. Mr. Chmielewski was excused from the Session of today at 12:30 p.m.

#### RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 12:00 noon. The motion prevailed.

The hour of 12:00 noon having arrived, the President called the Senate to order.

#### RECESS

Mr. Nelson moved that the Senate do now recess until 12:30 p.m. The motion prevailed.

The hour of 12:30 p.m. having arrived, the President called the Senate to order.

#### 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.

### RECESS

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

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

### MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. moved that H.F. No. 2 be taken from the table. The motion prevailed.

### SUSPENSION OF RULES

Mr. Moe, R.D. moved that the rules of the Senate be so far suspended that H. F. No. 2 be made a Special Order for immediate consideration. The motion prevailed.

### SPECIAL ORDER

H.F. No. 2: A bill for an act relating to motor vehicles; defining vans and pickup trucks; providing for the registration and taxation of certain vans as passenger automobiles; correcting references to the taxation of farm trucks and commercial zone combinations; defining urban trucks; and certain collector's vehicles; including certain trucks among the motor vehicles entitled to collector license plates; amending Minnesota Statutes 1980, Sections 168.011, by adding subdivisions; 168.10, Subdivision 1c; and Minnesota Statutes 1981 Supplement, Sections 168.011, Subdivisions 7 and 10; and 168.013, Subdivisions 1c, 1e and 1i.

Mr. Johnson moved to amend H.F. No. 2 as follows:

Page 1, after line 15, insert:

#### "ARTICLE I

#### STATE AGENCY APPROPRIATION REDUCTIONS

##### Section 1. [APPROPRIATION REDUCTIONS: SUMMARY.]

The sums set forth in the columns designated "APPROPRIATION REDUCTIONS" are reduced from the various general fund appropriations to the specified agencies. The figures "1982" or "1983" whenever used in this article, mean that the appropriation reductions listed are from the appropriations for the years ending either June 30, 1982 or June 30, 1983, respectively.

#### SUMMARY OF REDUCTIONS BY FUNCTION

(Including transfers to other funds)

	1982	1983	TOTAL
STATE DEPARTMENTS	(\$19,285,800)	(\$162,970,200)	(\$182,256,000)
TRANSPORTATION AND OTHER AGENCIES	(3,431,500)	(6,598,500)	(10,030,000)
EDUCATION	(11,670,000)	(23,430,000)	(35,100,000)
WELFARE, CORRECTIONS, HEALTH	(9,611,400)	(16,854,500)	(26,465,900)
TOTAL	(\$43,998,700)	(\$209,853,200)	(\$253,851,900)

#### APPROPRIATION REDUCTIONS

1982                      1983

##### Sec. 2. [APPROPRIATION REDUCTIONS.]

## Subdivision 1. [STATE DEPARTMENTS:]

The general fund appropriations in Laws 1981, Chapters 306, 346 and 356 as amended by Laws 1981, First Special Session, Chapter 4, Article 4, are reduced by the listed amounts:

(a) Legislature (\$1,484,600) (\$986,200)

The amounts that are reduced from each appropriation are as follows:

- |   |  |           |
|---|--|-----------|
| (1) House of Representatives                              |  | 1983      |
| 1982  |  | 1983      |
| (1,049,500)   |  | (-0-)     |
| (2) Legislative Coordinating Commission - General Support |  |           |
| (25,900)  |  | (900)     |
| (3) LCC - Workers Compensation Study                      |  |           |
| (3,000)   |  | (-0-)     |
| (4) LCC - Transit Study                                   |  |           |
| (20,000)  |  | (-0-)     |
| (5) Legislative Reference Library                         |  |           |
| (44,000)  |  | (50,500)  |
| (6) Revisor of Statutes                                   |  |           |
| (87,300)  |  | (466,500) |
| (7) Legislative Committee on Science and Technology       |  |           |
| (25,600)  |  | (129,700) |

The Legislative Committee on Science and Technology is abolished, effective March 1, 1982. Committee staff should be given consideration for employment by other legislative agencies.

- |  |  |           |
|--|--|-----------|
| (8) Advisory Council on the Economic Status of Women       |  |           |
| (8,100)  |  | (18,300)  |
| (9) Great Lakes Commission                                 |  |           |
| (4,600)  |  | (5,100)   |
| (10) Legislative Commission on Pensions and Retirement     |  |           |
| (9,800)  |  | (21,200)  |
| (11) Legislative Commission on Employee Relations          |  |           |
| (14,100)   |  | (10,400)  |
| (12) Legislative Commission to Review Administrative Rules |  |           |
| (10,200)   |  | (11,600)  |
| (13) Legislative Audit Commission                          |  |           |
| (1,900)  |  | (1,900)   |
| (14) Legislative Auditor                                   |  |           |
| (180,600)  |  | (270,100) |

(b) Supreme Court (-0-) (-0-)

The appropriation contained in Laws 1981, Chapter 356, Section 3 for judicial district computer hardware costs is transferred to the fiscal year 1983 appropriation

made in Laws 1981, Chapter 356, Section 4 for district and county judge travel costs.

(c) Board on Judicial Standards	(-0-)	(3,100)
(d) Tax Court of Appeals	(10,400)	(10,400)
(e) Contingent Accounts - Unemployment Compensation	(350,000)	(-0-)
(f) Governor	(181,300)	(226,400)
(g) Secretary of State	(12,700)	(20,700)
(h) State Auditor	(3,100)	(3,100)

The commissioner of administration in cooperation with the commissioner of finance, the commissioner of transportation, and the state auditor is directed to review whether duplication of effort occurs between the fiscal studies unit of the department of transportation relating to local government financial reporting and the governmental information division within the office of the state auditor. By February 15, 1982, the commissioner of administration shall report to the chairmen of the house appropriations and senate finance committees what state and local cost savings would accrue with the merger of these activities within the office of the auditor.

(i) State Treasurer	(25,900)	(25,900)
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The insurance division shall assist and cooperate with the state treasurer in examining for unclaimed property. The state treasurer may act with the authority of the insurance division in examining for unclaimed property.

(j) Attorney General	(399,200)	(440,500)
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The appropriation from the trunk highway fund in Laws 1981, Chapter 357, Section 3, for Administration and Related Services is increased by \$250,000 in the first year and \$250,000 in the second year for the purchase of legal services from the attorney general.

The sum of \$30,000 the first year and \$130,000 the second year is appropriated from the highway user tax distribution fund to the commissioner of public safety for the purchase of legal services from the attorney general relating to civil weight law enforcement.

The sum of \$315,000 the first year and \$345,000 the second year is appropriated from the general fund to the commissioner of public welfare to be used to purchase legal services from the attorney general for

income maintenance programs. The commissioner of public welfare shall seek federal reimbursement for these legal costs; to be credited to the general fund.

(k) Administrative Hearings (68,900) (166,600)

The appropriation reductions in this item are made after the appropriation transfers authorized by Laws 1981, Chapter 346, Section 144.

The office of administrative hearings shall station a compensation judge and necessary support staff in an office in Duluth during the biennium ending June 30, 1983.

The chief hearing examiner shall discontinue the use of court reporters who are state employees as soon as existing labor agreements allow. While there continue to be court reporters employed in the office of hearing examiners, the reporters shall be used primarily to provide court reporter services.

After September 30, 1982, all receipts from transcript fees shall be deposited in the general fund.

(l) Administration (1,840,600) (2,059,900)

The reduction for the state band shall not be more than 50 percent in the second year.

(m) Capitol Area Architectural and Planning Board

(5,200) (5,200)

(n) Finance

(623,800) (645,600)

The positions of debt management director and research scientist within the economic analysis section shall not be held vacant to make this reduction.

(o) Employee Relations (337,200) (344,600)

(p) Revenue (549,300) (752,300)

Walk-in taxpayer assistance shall not be reduced by more than 50 percent.

(q) Agriculture (2,408,700) (3,380,600)

No more than \$343,900 the first year and \$348,900 the second year shall be reduced in the agricultural protection service program.

No more than \$124,300 in 1982 and \$211,300 in 1983 shall be reduced from the family farm security program.

\$150,000 in fiscal year 1982 and \$150,000 in fiscal year 1983 is reduced from grants to county and district agricul-



tural societies and associations.

(r) Animal Health, Board of	(164,400)	(168,700)
(s) Natural Resources	(3,184,600)	(3,743,700)

Of this reduction, \$71,600 the first year and \$50,000 the second year shall be reduced from the appropriation for soil and water conservation board administrative costs.

Money appropriated from the receipts for watercraft licenses shall not be reduced and shall be expended only as authorized by Minnesota Statutes, Section 361.03.

Of the moneys appropriated to the department of natural resources, \$75,000 shall be used for a timber study.

(t) Zoological Board	(447,700)	(586,000)
(u) Water Resources Board	(-0-)	(29,000)
(v) Pollution Control Agency	(818,100)	(773,500)
(w) Waste Management Board	(152,100)	(201,800)

General fund positions of the Waste Management Board may be converted to bond fund positions when their duties are limited to duties that are authorized to be paid for with bond proceeds.

(x) Energy, Planning and Development	(928,100)	(798,000)
(y) Natural Resources Acceleration (LCMR)	(1,445,400)	(1,860,400)

This appropriation reduction was made pursuant to the recommendation of the Legislative Commission on Minnesota Resources.

(z) Labor and Industry	(289,000)	(289,000)
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The appropriation reductions in this item are made after the appropriation transfers authorized by Laws 1981, Chapter 346, Section 144.

None of this reduction shall occur in the appropriations for the special compensation fund or for peace officer death benefits.

No reduction shall be made in the appropriation for the workers' compensation program, except as necessary to provide money for the OSHA program to minimize the loss of federal matching money or where the commissioner can demonstrate that the reduction can be made because of cost savings that will not harm the workers' compensation program.

Expenditure of the monies appropriated in Laws 1981, Chapter 346, Section 144,

Subdivision 7 shall not be governed by the low bid requirements of section 16.08.

(aa) Workers' Compensation

Court of Appeals

(13,500)

(13,500)

The appropriation reductions in this item are made after the appropriation transfers authorized by Laws 1981, Chapter 346, Section 144.

(bb) Mediation Services

(50,000)

(125,200)

(cc) Public Employment Relations Board

(2,600)

(3,100)

(dd) Military Affairs

(564,100)

(569,300)

(ee) Veterans Affairs

(164,500)

(172,100)

This reduction shall not be made in direct patient care positions at the veterans homes.

Notwithstanding the provisions of Minnesota Statutes, Section 198.055, the members of the veterans advisory committee may forego the compensation provided therein.

The nondedicated receipt limitation in Laws 1981, Chapter 356, Section 36 for fiscal year 1982 is reduced by \$627,800.

(ff) Indian Affairs Intertribal Board

(13,500)

(13,500)

(gg) Council on Black Minnesotans

(-0-)

(9,600)

(hh) Council for the Handicapped

(27,700)

(21,500)

(ii) Human Rights

(129,400)

(129,400)

(jj) Council On Affairs of

Spanish-Speaking People

(2,700)

(2,800)

(kk) Housing Finance Agency

(2,587,500)

(-0-)

The appropriation in Laws 1981, Chapter 306, Section 21, is reduced by the amount indicated.

The spending limit on cost of general administration of agency programs is reduced by \$54,300 the first year and \$54,300 the second year.

(ll) Salary Supplement

(-0-)

(30,000,000)

(mm) Debt Service

Notwithstanding Minnesota Statutes, Sections 16A.64, Subdivision 5; or 16A.65, Subdivision 1, or any other law to the contrary, the commissioner of finance need not transfer any money from the general fund to the state bond fund on November 1, 1982.

#### Subd. 2. [TRANSPORTATION AND OTHER AGENCIES.]

The general fund appropriations in Laws 1981, Chapters 346, 357, and 363, as amended by Laws 1981, First Special Session, Chapter 4, Article 4, are reduced by the listed amounts:

(a) Transportation

(1,171,200)

(3,864,000)

Appropriations for Rail Service Improvement Grants are reduced by \$124,000 in the first year.

Appropriations for MTC operating subsidies are reduced \$2,400,000 in the second year. Appropriations for MTC social fare reimbursements are reduced \$227,000 in the first year and \$461,000 in the second year.

Notwithstanding Laws 1981, Chapter 363, Section 55, Subdivision 1, the metropolitan transit commission may add up to a \$.15 surcharge on fares during the peak hours. The surcharge shall expire on June 30, 1983.

The metropolitan transit commission shall reduce its support staff by 50 positions below the actual level existing on December 1, 1981. Thirty-one positions shall be reduced by April 1, 1982 and the remaining 19 positions shall be reduced by July 1, 1983. Support staff includes all staff other than drivers, mechanics and security personnel.

The metropolitan transit commission is directed to prepare a report to the legislature regarding both employee benefit packages, including pension programs, and peak hour staffing practices. The report shall include projections of both short and long term costs. The report shall be submitted to the chairman of the house appropriations committee and the chairman of the senate finance committee by February 1, 1982.

The metropolitan transit commission shall not expend capital or operating funds for the purchase of articulated buses with wheelchair lifts. This restriction shall apply to any articulated buses which may be on order.

The department shall reallocate resources in order to review MTC budgets and to contract for the disbursement of funds to the metropolitan transit commission pursuant to statutory requirements.

Appropriations for private transit operators in the metropolitan area are reduced \$73,000 in the first year and \$143,000 in the second year.

Appropriations for statewide transit operating assistance are reduced \$700,000

in the first year and \$850,000 in the second year.

No reductions shall be made for metro mobility projects, the metro mobility control center, and project mobility.

Appropriations for public transit capital grants are reduced \$37,200 in the first year.

Appropriations for a public transit study are reduced \$10,000 in the first year and \$10,000 in the second year.

Reimbursements from the general fund to the trunk highway fund are reduced \$116,000 in the first year and \$192,200 in the second year.

Any unexpended balance of the appropriation for AMTRAK rail subsidy Duluth-Twin Cities made by Laws 1980, Chapter 614, Section 27, Clause (c) and any reimbursements or refunds of expenditures made for the fiscal year ending June 30, 1981 are reappropriated for the subsidization of service during the biennium ending June 30, 1983.

The immediately available appropriation for AMTRAK operations made by Laws 1981, Chapter 357, Section 2, Subdivision 4, Clause (e) is reappropriated for the biennium ending June 30, 1983, and may be expended without regard to the restrictions stated therein.

(b) Public Safety	(726,300)	(558,700)
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Reimbursements from the general fund to the trunk highway fund are reduced \$37,600 in the first year and \$38,900 in the second year.

The liquor control program shall concentrate its activities along the border areas of Minnesota.

(c) Commerce	(318,900)	(380,100)
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Appropriations for the banking division shall be reduced \$6,300 in the first year and \$7,300 in the second year.

Appropriations for the securities and real estate division shall be reduced \$38,400 in the first year and \$67,700 in the second year.

Appropriations for the insurance division shall be reduced \$131,000 in the first year

and \$13,100 in the second year. No more than seven positions shall be reduced or remain unfilled in the insurance division.

Appropriations for the office of consumer services shall be reduced \$109,400 in the first year and \$153,700 in the second year.

Appropriations for administrative services shall be reduced \$33,800 in the first year and \$138,300 in the second year.

(d) Abstractors, Board of	(500)	(500)
(e) Accountancy, Board of	(-0-)	(3,800)
(f) Architecture, Engineering and Land Surveying, Board of	(18,800)	(38,700)
(g) Barber Examiners, Board of	(-0-)	(2,700)
(h) Boxing, Board of	(8,000)	(11,400)
(i) Peace Officer Standards and Training, Board of	(11,700)	(11,800)
(j) Examiners in Watchmaking, Board of	(700)	(800)

The boards identified in items (d) through (h) and (j) shall hold no more than four board meetings per year, unless an emergency situation requires a special meeting.

(k) Public Utilities Commission	(20,700)	(21,600)
(l) Public Service	(33,300)	(33,400)
(m) Ethical Practices Board	(17,000)	(15,400)
(n) Minnesota Municipal Board	(20,700)	(21,000)
(o) Minnesota-Wisconsin Boundary Area Commission	(3,400)	(3,700)
(p) Uniform Laws Commission	(-0-)	(3,200)
(q) Voyageurs National Park Citizens Committee	(-0-)	(5,500)
(r) Southern Minnesota River Basin Board	(5,800)	(6,000)
(s) Minnesota Historical Society	(635,900)	(969,500)

This reduction shall not apply to the Minnesota military history museum at Fort Snelling and Camp Ripley, the Sibley House Association, government learning center, Minnesota humanities commission, Minnesota international center, and the historic grant-in-aid program to encourage local historic preservation projects.

(t) Arts, Board of the	(254,800)	(400,200)
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The amounts to be reduced from each program are as follows:

(1) Administrative Services		
1982	1983	
(112,100)	(154,500)	
(2) Subsidies and Grants		
(142,700)	(245,700)	

Of the remaining appropriations, \$758,600 in the first year and \$897,800 in

the second year is for the general support one program; \$136,700 in the first year and \$157,400 in the second year is for the general support two program; \$80,600 in the first year is for the sponsor grants program; and \$685,700 in the first year and \$677,600 in the second year is for the regional program. Regional grants shall be distributed according to the formula included in the work papers adopted by the conference committee:

(u) Minnesota Humane Society	(6,200)	(-0-)
(v) County Attorneys Council	(15,100)	(-0-)
(w) Minnesota Horticultural Society	(8,900)	(9,600)
(x) Minnesota Academy of Science	(-0-)	(5,800)
(y) Science Museum of Minnesota	(-0-)	(-0-)

The appropriation for the second year shall be reduced by \$25,000. This reduction shall be reinstated on the basis of \$1 for every \$1 received from the city of Saint Paul.

### Subd. 3. [EDUCATION.]

The general fund appropriations in Laws 1981, Chapter 359, as amended by Laws 1981, First Special Session, Chapter 2, are reduced by the listed amounts:

(a) Education, Department of	(1,500,000)	(3,000,000)
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None of this reduction shall be taken from the appropriations for the Minnesota School for the Deaf or the Minnesota Braille and Sight-saving School.

(b) Higher Education Coordinating Board	(150,000)	(280,000)
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\$152,000 of the amount for 1983 is a reduction from the private college contract program. The private college contract program shall not provide funds for post baccalaureate students.

Notwithstanding any law to the contrary, if a portion of sums appropriated to the higher education coordinating board pursuant to Laws 1981, Chapter 359, Section 3, Subdivisions 3, 4, 5, 7, 9 and 10 for state scholarships, nurses scholarships, state grants-in-aid, part time student subsidy, special assistance, state work study, AVTI tuition subsidy and private college contracts for fiscal year 1983 are refunded and unused, that portion may be transferred to meet obligations under interstate tuition reciprocity agreements. However, the higher education coordinating board shall demonstrate to the commissioner of

finance that the intended level of expenditure for the programs is not reduced. In addition, transfers made may be reversed if necessary to meet the needs and objectives of affected programs.

(c) State University Board	(2,300,000)	(4,600,000)
(d) State Community College Board	(1,100,000)	(2,200,000)
(e) University of Minnesota	(6,500,000)	(13,100,000)
(f) Mayo Medical School	(120,000)	(250,000)

#### Subd. 4. [WELFARE, CORRECTIONS, HEALTH.]

The general fund appropriations in Laws 1981, Chapter 360, as amended by Laws 1981, First Special Session, Chapter 2, are reduced by the listed amounts:

(a) Public Welfare	(4,004,600)	(14,434,400)
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The sum of \$26,500,000 for 1982 is appropriated to the commissioner of public welfare for the income maintenance program.

This appropriation is available only if the amounts already appropriated in Laws 1981, Chapter 360, Article I, Section 2, Subdivision 4, are insufficient to meet the costs. This appropriation is available only upon recommendation of the legislative advisory commission under Minnesota Statutes, Section 3.30.

For the rate year that begins during the fiscal year ending June 30, 1982, for each existing facility with a capacity increase of more than 25 percent but less than 50 percent for which a certificate of need has been issued on or after January 1, 1980 and for which contracts for construction had been let, and both ground breaking and construction were begun before July 1, 1981, increases in the per diem for depreciation and interest expense applicable to the new construction shall not be limited by the prevailing statutory percentage limit established by Minnesota Statutes 1981 Supplement, Section 256B.03, Subdivision 2 or the regional maximum rate. The additional amounts allowed for depreciation and interest under this provision shall be excluded from subsequent computations of the regional maxima.

The commissioner of public welfare shall study the fiscal and programmatic impact, the number of persons who would be affected, problems and benefits to persons who would be affected, and any other effects, if the costs of providing develop-

mental achievement services and semi-independent living services were paid through Title 19 of the Social Security Act and Minnesota Statutes, Chapter 256B. The studies shall be completed and submitted to the legislature not later than two months following final enactment of federal appropriation amounts.

The provisions of Minnesota Statutes 1980, Section 256D.22 are suspended during the fiscal year ending June 30, 1983.

(b) Economic Security	(4,719,300)	(-0-)
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This amount includes a reduction of \$4,189,400 the first year for the training and community services program. However, there shall be no reduction in the displaced homemakers or summer youth programs. Reductions in the vocational rehabilitation program shall be \$529,900 for the biennium.

(c) Corrections	(699,500)	(1,627,500)
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Notwithstanding the provisions of any other law to the contrary, the commissioner of corrections may for the purpose of maximizing the benefits of the subsidy paid to counties under Minnesota Statutes 1980, Sections 401.14 and 401.15, waive the requirements of 11 MCAR, Sections 2.006(c) and 2.007(b) that specify the percentages of the total subsidy received by each participating county that must be expended only for information systems, program evaluation, training, and education. This provision expires June 30, 1983.

(d) Sentencing Guidelines Commission	(-0-)	(1,500)
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(e) Corrections Ombudsman	(-0-)	(2,300)
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(f) Health	(188,000)	(788,800)
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Notwithstanding any law to the contrary, the commissioner of health shall increase the fee charged for medical laboratory services to \$5.00.

The commissioner of health may charge a fee for voluntary certification of medical laboratories and environmental laboratories. The fee may be established without complying with Minnesota Statutes, Sections 15.041 to 15.052. This provision expires June 30, 1983.

The commissioner of health may charge fees for environmental laboratory services



in amounts approximately equal to the costs of providing the services. The fees may be established without complying with Minnesota Statutes, Sections 15.041 to 15.052. This provision expires June 30, 1983.

Notwithstanding Laws 1981, Chapter 360, Article I, Section 14, the commissioner of health shall establish fees for licensure of health care facilities in accordance with Minnesota Statutes 1980, Section 16A.128. The statutory percentage limitation for long term care may be exceeded by the amounts of the increased license fees authorized by this provision and charged by the commissioner of health, and the increased fee amount shall be an allowed cost to the extent that the increase when added to other allowed costs exceeds the statutory limitation.

*Subd. 5. [APPROPRIATION AVAILABILITY.] If the appropriation from the general fund to an agency listed in this section in either year of the biennium ending June 30, 1983, is insufficient, upon the advance approval of the commissioner of finance the appropriation for the other year is available for it.*

*Subd. 6. [RELATION TO PRIOR REDUCTIONS.] The appropriation reductions in this section are in addition to the general reductions, general staff reductions, and other reductions made in previous appropriation acts.*

*Subd. 7. [PROGRESS REPORTS.] Each state agency whose appropriation is reduced by this section shall submit a revised spending plan to the commissioner of finance pursuant to Minnesota Statutes, Section 16A.14. The revised spending plan shall be formulated on a quarterly basis in order to permit the commissioner of finance to monitor the agency's success at meeting its spending and position reduction goals. The commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives promptly after the end of each quarter of any agency that has failed to meet its spending and position reduction goals for that quarter.*

Sec. 3. Laws 1981, Chapter 356, Section 45, is amended to read:

Sec. 45. [WORKERS' COMPENSATION.]

The appropriations in this act for the operation of each state department or agency, except the *game and fish fund appropriations* to 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 *game and fish fund appropriations* to the department of natural resources or as may be required by an increase in the statutory level of workers' compensation benefits.

Sec. 4. Laws 1981, Chapter 356, Section 46, is amended to read:

Sec. 46. [UNEMPLOYMENT COMPENSATION.]

The appropriations in this act for the operation of each state department or agency, except the *game and fish fund appropriations to 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 intent of the legislature not to appropriate additional money at any future time to pay unemployment compensation obligations for fiscal 1982 and 1983, except for *game and fish fund appropriations to the department of natural resources* or as may be required by an increase in the statutory level of unemployment compensation benefits.

Sec. 5. Laws 1981, Chapter 359, Section 3, Subdivision 3, is amended to read:

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 not be needed and any balance may be transferred to subdivision 6 of this section to the extent a deficiency occurs in the interstate tuition reciprocity appropriation.~~

Sec. 6. [PLANS FOR DECLINING ENROLLMENT.]

*Subdivision 1. [UNIVERSITY OF MINNESOTA; STATE UNIVERSITIES.] The board of regents of the University of Minnesota, and the state university board, shall each develop a plan for providing post-secondary education services under conditions of declining or reduced enrollments. Each plan shall specify the fiscal implications of declining enrollments. Each plan shall propose a strategy for adjusting the present level of facilities and services to the projected level of reduced demand. The strategies may include such methods as campus mergers, reorganizations, discontinuance of campuses or colleges, changes in system governance, and other such methods. The purpose of the plan is to reduce the cost of present facilities and services in proportion to the reduction in enrollment. Each plan shall be submitted to the legislature by January 1, 1983.*

*Subd. 2. [COMMUNITY COLLEGES; AREA VOCATIONAL-TECHNICAL INSTITUTES.] The community college board and the state board for vocational education shall continue the planning process which is currently ongoing and under discussion with legislative committees with regard to community colleges and area vocational technical institutes. One of the purposes of the planning process is to develop strategies to adjust the present cost of facilities and services to the projected level of reduced demand.*

*Subd. 3. [REVIEW AND COMMENT.] The higher education coordinating*

board shall review and comment on the strategies developed pursuant to subdivisions 1 and 2.

*Subd. 4. [FACTORS.] In developing strategies for the adjustment of present facilities and services to reduced levels of demand, the boards shall consider such factors as the system's mission, the impact of such adjustments on students, short-term and long-term enrollment trends, fiscal implications, geographic accessibility to comparable public institutions; accessibility for the handicapped, availability of alternative programs, legal implications and feasibility of employee transfers.*

*Subd. 5. [STUDENT TRANSFERS.] In developing strategies for the adjustment of facilities and services to reduced levels of demand the boards shall, insofar as possible, plan to provide students with the opportunity to complete programs in their major course of study and to complete graduation requirements by transferring to other institutions. The plans should provide for full transfer of earned credits and flexibility in meeting graduation requirements to the extent possible.*

*Subd. 6. [CONSULTATION.] In the process of developing strategies for the adjustment of facilities and services to reduced levels of demand each system shall consult with the other systems and with the higher education coordinating board.*

*Subd. 7. [EMPLOYEE TRANSFER.] To the extent possible, the strategies shall provide that employees whose positions will be eliminated by the adjustments will be allowed to transfer to positions in other post-secondary institutions within each system and will be given preference in new hirings. To the extent possible, the strategies shall provide for the maintenance of terms and conditions of employment provided for in any existing labor agreement and shall be implemented, to the extent possible, in a manner consistent with such labor agreements.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 3.9222, Subdivision 2, 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~~ eight 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~~ four citizens for three-year terms and ~~six~~ four 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. 8. [GOVERNOR TO DESIGNATE MEMBERS.]

*The governor shall designate the four citizens whose membership on the advisory council for the economic status of women will terminate because of the reduction in size of the council required by section 7. The terminations are*

effective January 1, 1982.

Sec. 9. [5.12] [CERTIFICATE; CERTIFIED COPY OF DOCUMENT; FEE.]

*The secretary of state shall charge a fee of \$5 for each certificate or certification of a copy of any document filed in the office of the secretary of state.*

Sec. 10. Minnesota Statutes 1981 Supplement, Section 15.052, Subdivision 5, is amended to read:

Subd. 5. [COURT REPORTERS; AUDIO RECORDINGS.] The office of administrative hearings may maintain a court reporter system and in addition to or in lieu thereof may contract with nongovernmental 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 use audio magnetic recording devices to keep the record of hearings except when there are more than two primary parties in a case and the chief hearing examiner determines that the use of a court reporter is more appropriate. If the chief hearing examiner determines that the use of a court reporter is more appropriate, the cost of the court reporter shall be paid by the state. If the chief hearing examiner determines that the use of an audio magnetic recording device is more appropriate in a hearing under chapter 176, any party to that hearing may provide a court reporter at the party's expense. Court reporters provided by a party shall be selected from the chief hearing examiner's list of non-governmental sources.

*The fee charged by a court reporter to a party shall not exceed the fee which would be charged to the state pursuant to the court reporter's contract with the state.*

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. 11. Minnesota Statutes 1981 Supplement, 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 these fees shall be reviewed at least once each six months, and, except in special fee situations as determined by the commissioner, adjustments shall be made to the end that the total fees received shall approximate the amount appropriated for the several 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

~~110 percent~~ of the sum of all direct appropriations, *indirect costs*, transfers in, and salary supplements for that purpose for the biennium.

Sec. 12. [35.84] [FEES FOR SERVICES TO STATE FAIR.]

*The board of animal health shall charge fees to cover all direct and indirect costs of services rendered to the state agricultural society in connection with the state fair. Fee receipts shall be deposited in the state treasury and credited to the general fund.*

Sec. 13. Minnesota Statutes 1981 Supplement, Section 169.871, Subdivision 3, is amended to read:

Subd. 3. [APPEARANCES.] Notwithstanding the provisions of section 8.01, county or city attorneys ~~shall~~ *may* appear for the ~~state commissioner of public safety~~ *state commissioner of public safety* in civil actions commenced under this section ~~at the request of the attorney general~~.

Sec. 14. Minnesota Statutes 1981 Supplement, Section 169.871, Subdivision 5, is amended to read:

Subd. 5. [FINES.] Any penalty imposed and fines collected pursuant to this section shall be disposed of as provided in section 299D.03, subdivision 5, with the following exceptions:

(a) If the violation occurs in the county, *and the county attorney appears in the action*, the remaining five-eighths shall be credited to the highway user tax distribution fund.

(b) If the violation occurs within the municipality, and the city attorney appears in the action, the remaining one-third shall be paid to the highway user tax distribution fund.

(c) *In all cases when the attorney general appears in the action, all penalties imposed and fines collected shall be credited to the highway user tax distribution fund.*

Sec. 15. Minnesota Statutes 1981 Supplement, Section 169.872, Subdivision 1, is amended to read:

Subdivision 1. [RECORD KEEPING.] A person who weighs goods before or after unloading or a person who loads or unloads goods on the basis of liquid volume measure shall keep a written record of the origin, weight and composition of each shipment, the date of loading or receipt, the name and address of the shipper, the total number of axles on the vehicle or combination of vehicles, and the registration number of the power unit or some other means of identification by which the shipment was transported. The record shall be retained for 30 days and shall be open to inspection and copying by a state law enforcement officer or motor transport representative ~~or a peace officer as defined in section 626.84, subdivision 1, clause (e)~~, except state conservation officers, upon demand. ~~For informational purposes only if inspection indicates excess weight of 3,000 pounds or more, the inspecting officer shall notify, within 30 days of inspection of the record, the person who consigned the goods for shipment.~~ No search warrant is required to inspect or copy the record. This subdivision does not apply to a person weighing goods who is not involved in the shipping, receiving and transporting of those goods.

Sec. 16. Minnesota Statutes 1981 Supplement, Section 174.24, Subdivision

3a., is amended 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. *In order to receive financial assistance, the commission shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to identify the revenues, costs, and service plan upon which the appropriation is based.*

Sec. 17. Minnesota Statutes 1981 Supplement, Section 174.31, Subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; OBJECTIVES.] A 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;~~

(b) To develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner; and

(c) To use existing public and private providers of service wherever possible, to supplement rather than replace existing service, and to increase the productivity of all special transportation vehicles available in the area.

For the purpose of this section "project" means the project established under this subdivision.

Sec. 18. Minnesota Statutes 1981 Supplement, Section 174.31, Subdivision 3, is amended to read:

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 coor-~~

dinate with the project and to allow reimbursement for services provided through the project at rates that reflect the public cost of providing those services; and

(h) (g) Adopt rules by January 15, 1982, establishing criteria to be used in determining individual eligibility for special transportation services.

Sec. 19. Minnesota Statutes 1981 Supplement, 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 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 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 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 for the benefit of the special compensation fund a lump sum without interest deduction equal to 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.

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.

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

Balance in the Fund	Permissible Range of Rate Adjustment
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 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, compensation judges, the workers' compensation court of appeals or district court in cases before 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, 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 for~~ The accounting, investigation, and legal ~~procedures costs~~ necessary for the administration of the programs financed by the special compensation fund shall ~~come as appropriated~~ be paid 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. 20. Minnesota Statutes 1980, Section 176.421, Subdivision 3, is amended to read:

Subd. 3. [NOTICE OF APPEAL.] The appellant or his attorney shall prepare and sign a written notice of appeal specifying:

(1) the order appealed from;

(2) that appellant appeals from the order to the workers' compensation court of appeals;



(3) the particular finding of fact or conclusion of law which he claims was unwarranted by the evidence or procured by fraud, coercion, or other improper conduct; and,

(4) the testimony or other part of the record of the hearing necessary to be transcribed in order for the court of appeals to consider the appeal; and,

(5) any other ground upon which the appeal is taken.

Sec. 21. Minnesota Statutes 1981 Supplement, 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 chief hearing examiner and file a copy with the commissioner;

(3) In order to defray the cost of the transcript preparation of the record of the proceedings appealed from, pay to the chief hearing examiner state treasurer, office of administrative hearings account 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 \$25; and

(4) Submit a request that the chief hearing examiner order the preparation of a transcript of that part of the hearing delineated in the notice of appeal.

A party who desires a transcript of more of the hearing than has been requested by the appellant shall, within five working days of service of the notice of appeal, make a request of the chief hearing examiner that the additional testimony be transcribed.

The party requesting the preparation of the transcript or any part is liable for the cost of preparation. The cost of a transcript prepared by a non-governmental source shall be paid directly to that source and shall not exceed the cost that the source would be able to charge the state for the same service.

Upon a showing of cause, the chief hearing examiner may direct that a transcript be prepared without expense to the appellant party requesting its preparation, in which case the cost of the transcript shall be paid by the office of administrative hearings.

All fees received by the office of administrative hearings for the preparation of the record for submission to the workers' compensation court of appeals or for the cost of transcripts prepared by the office shall be deposited in the office of administrative hearings account in the state treasury and shall be used solely for the purpose of keeping the record of hearings conducted under this chapter and the preparation of transcripts of those hearings.

Sec. 22. Minnesota Statutes 1981 Supplement, Section 176.421, Subdivision 5, is amended to read:

Subd. 5. [TRANSCRIPT; CERTIFICATION OF THE RECORD.] When the notice of appeal has been filed with the chief hearing examiner and the ~~transcription~~ fee for the preparation of the record has been paid, the chief hearing examiner shall immediately ~~prepare~~ order the preparation of a type-written transcript of that part of the proceedings hearing delineated in the notice. The official reporter or other person designated by the chief hearing examiner who transcribes the proceedings shall certify to their correctness.

*If the transcript is prepared by a person who is not an employee of the office of administrative hearings, upon completion of the transcript, the original shall be filed with the chief hearing examiner.*

*When the transcript has been completed and is on file with the chief hearing examiner, he shall certify the record to the workers' compensation court of appeals and notify the commissioner of the certification.*

Sec. 23. Minnesota Statutes 1981 Supplement, 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, *where one or more of the parties is not represented by an attorney*, 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. 24. Minnesota Statutes 1981 Supplement, 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, *and the district court* 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 *conclusively* presumed to be reasonable, fair, and in conformity with this chapter.

Sec. 25. Minnesota Statutes 1980, Section 176.521, is amended by adding a subdivision to read:

*Subd. 2a. [SETTLEMENTS NOT SUBJECT TO APPROVAL.] When a settled case is not subject to approval, upon receipt of the stipulation for*

*settlement, a compensation judge or a settlement judge shall immediately sign the award and file it with the commissioner. Payment pursuant to the award shall be made within 14 days after it is filed with the commissioner. The commissioner may correct mathematical or clerical errors at any time.*

Sec. 26. Minnesota Statutes 1980, Section 184.30, Subdivision 2, is amended to read:

Subd. 2. The secretary of state shall be paid a filing fee of ~~\$5~~ \$10.

Sec. 27. Minnesota Statutes 1980, Section 197.23, is amended to read:

197.23 [MAY PROVIDE MARKERS.]

The commissioner of veterans affairs ~~shall~~ may, upon the petition of any five reputable freeholders of any township or municipality, or of any patriotic or ex-servicemen's organization, procure for and furnish to the petitioners some suitable and appropriate metal socket and an appropriate marker for the grave of each and every soldier, sailor, marine, or nurse who served with honor in the forces of the United States and who is buried within the limits of the state, to be placed on the grave of such soldier, sailor, marine, or nurse for the purpose of permanently marking and designating the grave for memorial purposes.

Sec. 28. Minnesota Statutes 1981 Supplement, Section 204B.11, Subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] Except as provided by subdivision 2, a filing fee shall be paid by each candidate who files an affidavit of candidacy. The fee shall be paid at the time the affidavit is filed. The amount of the filing fee shall vary with the office sought as follows:

(a) For the office of governor, lieutenant governor, attorney general, state auditor, state treasurer, secretary of state, representative in congress, judge of the supreme court, judge of the district court, or judge of the county municipal court of Hennepin County, ~~\$100~~ \$150;

(b) For the office of senator in congress, ~~\$150~~ \$200;

(c) For office of senator or representative in the legislature, ~~\$20~~ \$50; and

(d) For a county office, ~~\$20~~ \$50.

For the office of presidential elector, and for those offices for which no compensation is provided, no filing fee is required.

The filing fees received by the county auditor shall immediately be paid to the county treasurer. The filing fees received by the secretary of state shall immediately be paid to the state treasurer.

When an affidavit of candidacy has been filed with the appropriate filing officer and the requisite filing fee has been paid, the filing fee shall not be refunded.

Sec. 29. Minnesota Statutes 1980, Section 221.67, is amended to read:

221.67 [SERVICE OF PROCESS.]

The use of any of the public highways of this state for the transportation of persons or property for compensation by a motor carrier in interstate commerce shall be deemed an irrevocable appointment by ~~such~~ the carrier of the secretary

of state to be his true and lawful attorney upon whom may be served all legal process in any action or proceeding brought under section 221.66 against him or his executor, administrator, personal representative, heirs, successors or assigns. ~~Such~~ This use is a signification of agreement by ~~said~~ the interstate motor carrier that any ~~such~~ process in any action against him or his executor, administrator, personal representative, heirs, successors, or assigns which is so served shall be of the same legal force and validity as if served upon him personally. ~~Such~~ Service shall be made by serving a copy thereof upon the secretary of state or by filing ~~such~~ a copy in his office, together with payment of a fee of ~~\$10~~ \$15, and ~~such~~ the service shall be sufficient service upon the absent motor carrier; ~~provided that if~~ notice of ~~such~~ the service and a copy of the process are within ten days thereafter sent by mail by the plaintiff to the defendant at his last known address and ~~that~~ the plaintiff's affidavit of compliance with the provisions of sections 221.61 to 221.68 is attached to the summons.

Sec. 30. Minnesota Statutes 1981 Supplement, 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.
- (3) Physicians' services.
- (4) Outpatient hospital or clinic services.
- (5) Home health care services.
- (6) Private duty nursing services.
- (7) Physical therapy and related services.
- (8) Dental services, 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 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 commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. 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.~~ *The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act. The formulary shall not include: drugs for which there is no federal funding; over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; nutritional products; anorectics; and drugs for which medical value has not been established. Payment to drug vendors shall not be modified before the formulary is promulgated established. The commissioner may promulgate conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.*

*The basis for determining the amount of payment shall be the actual acquisition cost of the drug plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the administrative procedure act. Payment for drugs shall be on the basis of the cost of the generic drug whenever a generically equivalent product is available unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2.*

(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. 31. Minnesota Statutes 1981 Supplement, 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 individually does not own more than ~~\$2,000~~ \$1,500 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~~ \$2,250 in cash or liquid assets, plus \$200 for each additional legal dependent. ~~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.094, 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 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. 32. Minnesota Statutes 1980, Section 268.16, Subdivision 3, is amended to read:

Subd. 3. [COLLECTION.] (1) If, after due notice, any employer defaults in any payment of contributions or interest due thereon or penalties for failure to file returns and other reports as and when required by the provisions of sections 268.03 to 268.24 or by any rule or regulation of the commissioner, the amount due shall be collected by civil action in the name of the state of Minnesota, and any money recovered on account thereof shall be credited to the funds provided for under the provisions of these sections. This remedy shall be in addition to such other remedies as may be herein provided or otherwise provided by law,

and the employer adjudged in default shall pay the costs of ~~such~~ the action. Civil actions brought under this section to collect contributions, interest due thereon, or penalties from an employer shall be heard by the court at the earliest possible date. No action for the collection of contributions or interest thereon shall be commenced more than four years after the contributions have been reported by the employer or determined by the commissioner to be due and payable. In any action herein provided for, judgment shall be entered against any defendant in default for want of answer or demurrer, for the relief demanded in the complaint without proof, together with costs and disbursements, upon the filing of an affidavit of default.

No action shall be commenced for the collection of contributions with respect to wages paid for services performed prior to the effective date of a subsequent provision of law enacted prior to July 1, 1941, excluding ~~such~~ the service from coverage under sections 268.03 to 268.24.

(2) Any employing unit which is not a resident of this state and which exercises the privilege of having one or more individuals perform service for it within this state, and any resident employing unit which exercises that privilege and thereafter removes from this state, shall be deemed thereby to appoint the secretary of state as its agent and attorney for the acceptance of process in any civil action under this subdivision. In instituting ~~such~~ an action against ~~any~~ ~~such~~ the employing unit the commissioner shall cause ~~such~~ any process or notice to be filed with the secretary of state, *together with payment of a fee of \$15*, and ~~such~~ the service shall be sufficient service upon ~~such~~ the employing unit, and shall be of the same force and validity as if served upon it personally within this state: Provided, that the commissioner shall forthwith send notice of the service of ~~such~~ the process or notice, together with a copy thereof, by certified mail, return receipt requested, to ~~such~~ the employing unit at its last known address and ~~such~~ the return receipt, the commissioner's affidavit of compliance with the provisions of this section, and a copy of the notice of service, shall be appended to the original of the process filed in the court in which ~~such~~ the civil action is pending.

Sec. 33. Minnesota Statutes 1980, Section 278.03, is amended to read:

#### 278.03 [PAYMENT OF PORTION OF TAX.]

If the proceedings instituted by the filing of the petition have not been completed before the first day of June next following the filing, the petitioner shall pay to the county treasurer 50 percent of the tax levied for such year against the property involved, unless permission to continue prosecution of the petition without such payment is obtained as herein provided. If the proceedings instituted by the filing of the petition have not been completed by the next November 1, the petitioner shall pay to the county treasurer 50 percent of the unpaid balance of the taxes levied for the year against the property involved *if the unpaid balance is \$2,000 or less and 80 percent of the unpaid balance if the unpaid balance is over \$2,000*, unless permission to continue prosecution of the petition without payment is obtained as herein provided. The petitioner, upon ten days notice to the county attorney and to the county auditor, given at least ten days prior to the first day of June or the first day of November, may apply to the court for permission to continue prosecution of the petition without payment; and, if it is made to appear

(1) That the proposed review is to be taken in good faith;



(2) That there is probable cause to believe that the property may be held exempt from the tax levied or that the tax may be determined to be less than 50 percent of the amount levied; and

(3) That it would work a hardship upon petitioner to pay 50 percent of such the taxes due,

the court may permit the petitioner to continue prosecution of the petition without payment, or may fix a lesser amount to be paid as a condition of continuing the prosecution of the petition.

Failure to make payment of the amount required when due shall operate automatically to dismiss the petition and all proceedings thereunder unless the payment is waived by an order of the court permitting the petitioner to continue prosecution of the petition without payment. The county treasurer shall, upon request of the petitioner, issue duplicate receipts for the tax payment, one of which shall be filed by the petitioner in the proceeding.

Sec. 34. Minnesota Statutes 1981 Supplement, Section 302A.901, Subdivision 2, is amended to read:

Subd. 2. [SERVICE ON SECRETARY OF STATE, WHEN PERMITTED.] If a corporation has appointed and maintained a registered agent in this state but neither its registered agent nor an officer of the corporation can be found at the registered office, or if a corporation fails to appoint or maintain a registered agent in this state and an officer of the corporation cannot be found at the registered office, then the secretary of state is the agent of the corporation upon whom the process, notice, or demand may be served. The return of the sheriff, or the affidavit of a person not a party, that no registered agent or officer can be found at the registered office in a county is conclusive evidence that the corporation has no registered agent or officer at its registered office. Service on the secretary of state of any process, notice, or demand is deemed personal service upon the corporation and shall be made by filing with the secretary of state duplicate copies of the process, notice, or demand. The secretary of state shall immediately forward, by ~~registered~~ certified mail, addressed to the corporation at its registered office, a copy of the process, notice, or demand. Service on the secretary of state is returnable in not less than 30 days notwithstanding a shorter period specified in the process, notice, or demand.

Sec. 35. Minnesota Statutes 1980, Section 303.07, is amended to read:

303.07 [INITIAL LICENSE FEE FEES.]

*Subdivision 1. [INITIAL FEE.]* At the time of making application for a certificate of authority the foreign corporation making such the application shall pay to the state treasurer the sum of ~~\$125~~ \$150 as an initial license fee.

*Subd. 2. [ANNUAL FEE.]* The secretary of state shall collect an annual license fee from each foreign corporation holding a certificate of authority to transact business in this state. A foreign corporation shall pay \$15 per \$100,000 or fraction thereof of its Minnesota taxable net income for the last taxable year ending prior to the payment of the fee. If the taxable year ended less than 75 days before the date the fee is received by the secretary of state, the taxable net income from the preceding taxable year shall determine the fee. In no event shall the annual license fee be less than \$30. The corporation shall

*pay this fee by April 1 of each year.*

Sec. 36. Minnesota Statutes 1980, Section 303.13, Subdivision 1, is amended to read:

Subdivision 1. [FOREIGN CORPORATION:] A foreign corporation shall be subject to service of process, as follows:

(1) By service thereof on its registered agent;

(2) When any foreign corporation authorized to transact business in this state fails to appoint or maintain in this state a registered agent upon whom service of process may be had, or whenever any registered agent cannot be found at its registered office in this state, as shown by the return of the sheriff of the county in which the registered office is situated, or whenever any corporation withdraws from the state, or whenever the certificate of authority of any foreign corporation is revoked or canceled, service may be made by delivering to and leaving with the secretary of state, or with any deputy or clerk in the corporation department of his office, three copies thereof and a fee of \$10 \$15; provided, that after a foreign corporation withdraws from the state, pursuant to section 303.16, service upon the corporation may be made pursuant to the provisions of this section only when based upon a liability or obligation of the corporation incurred within this state or arising out of any business done in this state by the corporation prior to the issuance of a certificate of withdrawal.

(3) If a foreign corporation makes a contract with a resident of Minnesota to be performed in whole or in part by either party in Minnesota, or if a foreign corporation commits a tort in whole or in part in Minnesota against a resident of Minnesota, such acts shall be deemed to be doing business in Minnesota by the foreign corporation and shall be deemed equivalent to the appointment by the foreign corporation of the secretary of the state of Minnesota and his successors to be its true and lawful attorney upon whom may be served all lawful process in any actions or proceedings against the foreign corporation arising from or growing out of the contract or tort. Process shall be served in duplicate upon the secretary of state, together with a fee of \$10 \$15 and the secretary of state shall mail one copy thereof to the corporation at its last known address, and the corporation shall have 20 days within which to answer from the date of the mailing, notwithstanding any other provision of the law. The making of the contract or the committing of the tort shall be deemed to be the agreement of the foreign corporation that any process against it which is so served upon the secretary of state shall be of the same legal force and effect as if served personally on it within the state of Minnesota.

Sec. 37. Minnesota Statutes 1980, Section 303.14, Subdivision 1, is amended to read:

Subdivision 1. [FILED WITH SECRETARY OF STATE; CONTENTS.] Between January first and April first, in each year, every foreign corporation which holds a certificate of authority shall make and file with the secretary of state a report for the ~~next preceding~~ *previous* calendar year, setting forth:

(1) the name of the corporation and the state or country under the laws of which it is organized;

(2) if the name of the corporation does not end with the word "Corporation" or the word "Incorporated," or the abbreviation "Inc.," or does not contain

the word "Company" or the abbreviation "Co." not immediately preceded by the word "and" or the character "&," then the name of the corporation with the word or abbreviation which it has agreed to add thereto for use in this state;

(3) the date of its incorporation and the period of its duration;

(4) the address of its principal office in the state or country under the laws of which it is organized;

(5) the address of its registered office in this state and the name of its registered agent at such address;

(6) the names and respective addresses of its directors and officers;

(7) A statement of the aggregate number of shares having par value and of shares without par value which it has authority to issue, itemized by classes and series;

(8) A statement of the aggregate number of its issued or allotted shares having par value and of shares without par value, itemized by classes and series;

(9) A statement expressing in dollars the value of all the property owned by the corporation, wherever located, and the value of all its property located within this state;

(10) A statement expressing in dollars the gross receipts of the corporation in such calendar year derived from its business operations wherever transacted, and the gross receipts of the corporation in such calendar year derived from its business operations transacted, in whole or in part, within this state; and

(11) such additional information as may be necessary or appropriate to enable the secretary of state to determine the additional license fee, if any, payable by such the corporation.

The information required by clauses (7) to (9) shall be given as of the close of the next preceding calendar year.

(8) a statement of the corporate taxable net income as stated in its Minnesota corporate income tax return that was due in the previous year; and

(9) the fee required by section 303.07, subdivision 2. This fee shall be submitted with the annual report.

Sec. 38. Minnesota Statutes 1980, Section 303.14, Subdivision 3, is amended to read:

Subd. 3. [FORMS.] Such The annual report shall be made on forms prescribed by the secretary of state, in two separable parts, one part setting forth the facts required by subdivision 1, clauses (1) to ~~(8)~~ (6), and the other part the facts required by subdivision 1, clauses ~~(9)~~ (7), ~~(10)~~ (8), and ~~(11)~~ (9); such the report shall be executed, acknowledged and verified by the president or vice-president and by the treasurer, an assistant treasurer, secretary or an assistant secretary of the corporation; or, if the corporation is in the hands of a receiver or trustee, such the report shall be executed on behalf of the corporation and verified by such the receiver or trustee.

Sec. 39. Minnesota Statutes 1980, Section 303.14, Subdivision 5, is amended to read:

Subd. 5. [DIVULGENCE OF CONTENTS FORBIDDEN.] It shall be unlawful for the secretary of state or any other public official or employee to divulge or otherwise make known in any manner any of the particulars with reference to the value of the property owned by such corporation or the amount of the gross receipts of such corporation taxable net income set forth or disclosed as a part of any annual report. Nothing herein shall be construed to prohibit the inspection of the full reports by officials and employees of this state in the performance of their duties with respect to license fees due from the corporation making such the report. Any person violating any of the prohibitions of this subdivision shall be guilty of a gross misdemeanor.

Sec. 40. Minnesota Statutes 1980, Section 303.16, Subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF APPLICATION.] The application for withdrawal shall set forth:

(1) the name of the corporation and the state or country under the laws of which it is organized;

(2) that it has no property located in this state and has ceased to transact business therein;

(3) that its board of directors has duly determined to surrender its authority to transact business in this state;

(4) that it revokes the authority of its registered agent in this state to accept service of process;

(5) the address to which the secretary of state shall mail a copy of any process against the corporation that may be served upon him;

(6) that it will pay to the state treasurer the amount of any additional license fees properly found by the secretary of state to be then due from such corporation; and

(7) such additional information as may be required or demanded by the secretary of state to enable him to determine the additional license fees, if any, payable by such the corporation, the determination thereof to be made in the manner provided by section 303.15, except that in computing such additional license fee the amount to be used as the value of the property of the corporation located within this state shall be the highest amount or value of such property at any time in the calendar year in which the application for withdrawal is filed 303.07, subdivision 2.

Sec. 41. Minnesota Statutes 1980, Section 303.16, Subdivision 4, is amended to read:

Subd. 4. [APPROVAL; FILING.] Such The application for withdrawal shall be delivered to the secretary of state. Upon receipt thereof he shall examine the same, and if he finds that it conforms to the provisions of this chapter, he shall, when all license fees, filing fees, and other charges have been paid as required by law, file the same in his office and shall issue and record a certificate of withdrawal, and shall thereupon transmit such certificate, together with a fee of \$1, to the county recorder of the county in which the registered office of the corporation in this state is situated, and the county recorder shall record such certificate for such fee. Upon the issuance of such the

certificate, the authority of the corporation to transact business in this state shall cease.

Sec. 42. Minnesota Statutes 1980, Section 303.17, Subdivision 4, is amended to read:

Subd. 4. [CERTIFICATE OF REVOCATION.] Upon revoking ~~such the~~ certificate of authority, the secretary of state shall:

(1) Issue a certificate of revocation, in duplicate; *and*

(2) ~~Transmit one of such certificates to the county recorder of the county in which the registered office of the corporation in this state is situated, and the county recorder shall record the same without any fee therefor; and~~

~~(3) Mail to such the corporation, at its principal office in the state or country under the laws of which it is organized, a notice of such the revocation, accompanied by one such a certificate of revocation, and mail to such the corporation, at its registered office in this state, a notice of such the revocation.~~

Sec. 43. Minnesota Statutes 1980, Section 303.18, Subdivision 3, is amended to read:

Subd. 3. [JUDGMENT OF CANCELATION.] The attorney general shall cause two certified copies of the judgment canceling a certificate of authority to be delivered to the secretary of state. The secretary of state shall file one copy in his office, and shall transmit the other copy to the ~~county recorder of the county in which the registered office of the corporation in this state is situated. The county recorder shall record the same without any fee therefor.~~

Sec. 44. Minnesota Statutes 1980, Section 303.19, Subdivision 2, is amended to read:

Subd. 2. [FEE.] If the certificate of authority was revoked by the secretary of state pursuant to section 303.17, the corporation shall pay to the state treasurer ~~\$200~~ \$250 before it may be reinstated.

If the certificate of authority was canceled by a judgment pursuant to section 303.18, the corporation shall pay to the state treasurer \$500 before it may be reinstated.

Sec. 45. Minnesota Statutes 1980, Section 303.19, Subdivision 3, is amended to read:

Subd. 3. [CERTIFICATE OF REINSTATEMENT.] Upon the filing of ~~such the~~ application and upon payment of all penalties, fees and charges required by law, not including, ~~however,~~ an initial license fee or additional license fees to the extent that ~~the same they have theretofore previously~~ been paid by ~~such the~~ corporation, the secretary of state shall reinstate the license of ~~such the~~ corporation, and shall issue and record a certificate of reinstatement and shall transmit ~~such certificate, together with a fee of \$1, to the county recorder of the county in which the registered office of the corporation in this state is situated. The county recorder shall record such certificate for such fee.~~

Sec. 46. Minnesota Statutes 1980, Section 303.21, is amended by adding a subdivision to read:

Subd. 3. [OTHER INSTRUMENTS.] A fee of \$20 shall be paid to the secretary of state for filing any instrument required or permitted to be filed

*under the provisions of this chapter. The fee shall be paid at the time of the filing of the instrument.*

Sec. 47. Minnesota Statutes 1980, Section 303.22, is amended to read:

303.22 [APPLICABLE TO PRESENT CORPORATIONS.]

Except as in this section otherwise provided, this chapter shall be applicable to all foreign corporations heretofore or hereafter transacting business in this state.

Any foreign corporation licensed to transact business in this state when this chapter became effective, which thereafter obtains a certificate of authority, pursuant to the provisions of this section, may continue to transact business in this state pursuant to ~~such the~~ certificate of authority, using the name under which it was, on the effective date of this chapter, licensed to transact business in this state, whether or not the use of ~~such the~~ name is in violation of the provisions of section 303.05.

Nothing herein contained shall be construed to exempt ~~such the~~ foreign corporation from the obligation of making annual reports and paying ~~additional~~ license fees in accordance with the provisions of this chapter.

~~In computing any additional license fees for such corporation there shall be credited all license fees paid by such corporation to this state under this chapter and under any prior laws relating to the admission of foreign corporations to do business in this state.~~

Sec. 48. Minnesota Statutes 1980, Section 303.23, Subdivision 1, is amended to read:

Subdivision 1. [PRIMA FACIE EVIDENCE; RECORDING.] Any certificate issued by the secretary of state pursuant to the provisions of this chapter, and copies of ~~such the~~ certificates certified by him, shall be prima facie evidence of the matters stated therein ~~and, except certificates issued pursuant to subdivision 2, may be recorded in the office of the county recorder of any county in this state.~~

Sec. 49. Minnesota Statutes 1980, Section 308.06, Subdivision 4, is amended to read:

Subd. 4. The original articles of incorporation, or a certified copy of them, verified by the affidavits of two of the incorporators, shall be filed with the secretary of state and a copy, certified and verified as above required, shall be recorded in the office of the county recorder of the county in which the principal place of business of the association is located. For filing the articles of incorporation, or amendments to them, with the secretary of state a fee of ~~\$10~~ \$15 shall be paid to the secretary of state.

Sec. 50. Minnesota Statutes 1980, Section 308.85, is amended to read:

308.85 [FEES.]

For filing articles of incorporation, or amendments thereto, any association organized under sections ~~308.53~~ 308.29 to 308.84 shall pay ~~\$10~~ \$15.

Sec. 51. Minnesota Statutes 1980, Section 317.04, Subdivision 2, is amended to read:

Subd. 2. [ELECTION TO REJECT.] (1) When there are members with

voting rights, election by a corporation to reject the provisions of sections 317.01 to 317.25 shall be by a resolution (a) approved by the board of directors at a meeting duly called for the purpose of considering it; and (b) adopted at a subsequent annual, regular, or special meeting, of which a notice stating the purpose has been duly given, by a majority vote of all members of record entitled to vote.

(2) When there are no members with voting rights, election by a corporation to reject the provisions of sections 317.01 to 317.25 shall be by a resolution adopted by a majority vote of all the directors entitled to vote at a special meeting of the board of directors, notice having been duly given.

(3) Within 15 months after April 21, 1951, the corporation shall file a copy of the adopted resolution to reject, certified by the president or vice president and the secretary or assistant secretary, accompanied by a filing fee of \$5 \$15, in the office of the secretary of state, ~~and shall file a copy thereof, duly certified by the secretary of state, for record, accompanied by the required recording fee, in the office of the county recorder of the county in which the principal place of business of the corporation is located.~~

(4) ~~The election to reject sections 317.01 to 317.25 becomes effective upon the filing for record of a copy of the adopted resolution, duly certified by the secretary of state, in the office of the county recorder only if the resolution is filed for record within the 15 month period prescribed in clause (3).~~

Sec. 52. Minnesota Statutes 1980, Section 317.04, Subdivision 3, is amended to read:

Subd. 3. [ELECTION TO ACCEPT.] (1) Whether or not a domestic corporation has elected to reject under subdivision 2, it may at any time accept and come under the provisions of sections 317.01 to 317.25 by adopting a resolution of acceptance by a majority vote of all the directors entitled to vote at a special meeting of the board of directors, notice having been duly given, and by certifying and filing the resolution in the manner prescribed by subdivision 2, clause (3), for effecting a rejection. For filing a resolution of acceptance the secretary of state shall collect a fee of \$10 \$15.

(2) The election to accept sections 317.01 to 317.25 becomes effective upon the filing for record ~~(a)~~ of a copy of the adopted resolution to accept, together with articles of incorporation and amendments thereto with the secretary of state, ~~and (b) of the resolution to accept, duly certified by the secretary of state, with the county recorder of the county in which the principal place of business of the corporation is located.~~

Sec. 53. Minnesota Statutes 1980, Section 317.36, is amended to read:

317.36 [AGREEMENT, FILING, RECORDING; CERTIFICATE ISSUED.]

(1) Upon execution of the agreement of merger or consolidation, the agreement and required copies shall be delivered to the secretary of state at his office, accompanied by the fees prescribed by section 317.67.

(2) If the secretary of state finds that the agreement conforms to law, and the prescribed fees have been paid, he shall endorse his approval upon the agreement and each copy, file and record the original of the agreement in his office, and issue a certificate of merger or a certificate of consolidation and incor-

poration, as the case may be appropriate. The secretary of state shall file and record a copy of the certificate in his office. ~~He shall retain a sufficient number of the remaining copies of the agreement to enable him to comply with clause (2).~~ He shall return the remaining copies bearing the endorsement of his approval, together with the certificate of merger or the certificate of consolidation and incorporation, to the single corporation.

~~(3) The secretary of state shall file for record a copy of the agreement, certified as required by section 317.35, clause (2), in the office of the county recorder of the county in which each constituent corporation had its registered office and in the county in which the single corporation has its registered office.~~

Sec. 54. Minnesota Statutes 1980, Section 317.42, Subdivision 3, is amended to read:

Subd. 3. [FILING, RECORDING.] When a domestic corporation merges or consolidates with a foreign corporation pursuant to the law of a state or place other than this state, the single corporation shall file for record a copy of the agreement of merger or consolidation, certified by the proper official of ~~such~~ the state or place, accompanied by the fees prescribed by section 317.67, in the office of the secretary of state of this state. ~~The secretary of state shall file for record a certified copy of the agreement of merger or consolidation in the office of the county recorder of each county in this state in which the registered office of a constituent domestic corporation was located.~~

Sec. 55. Minnesota Statutes 1980, Section 317.67, Subdivision 2, is amended to read:

Subd. 2. ~~In addition to the fees prescribed by subdivision 1,~~ The secretary of state shall collect a fee of ~~\$10~~ \$15 for filing any instrument that is required to be filed under this chapter.

Sec. 56. Minnesota Statutes 1980, Section 330.01, Subdivision 1, is amended to read:

Subdivision 1. (a) The county auditor may license any person having the qualifications specified in clause (b) of this subdivision as an auctioneer. ~~Such~~ The license shall be issued by the auditor and shall authorize the licensee to conduct the business of an auctioneer in the state of Minnesota for the period of one year. It shall be recorded by the auditor in a book kept for that purpose. Before ~~such~~ the license is issued the applicant shall pay into the county treasury a fee of ~~\$15~~ \$20. The auditor shall, not later than the 15th day of the following month, transmit a copy of the license to the secretary of state together with \$5 \$10 of the fee, which shall be deposited in the general fund.

(b) A natural person is qualified to be licensed as an auctioneer if 18 years of age or over and a resident of the county of application for at least six months immediately preceding the date of application. No copartnership, association or corporation may be licensed as an auctioneer. However, nothing in this subdivision shall be construed as preventing auctioneers who are duly licensed in accordance with the provisions of this chapter, from combining in associations, copartnerships, or corporations, provided that each and every member of ~~such~~ these associations or copartnerships and each and every person or agent conducting auction sales on behalf of ~~such~~ these corporations is a duly licensed auctioneer as provided in this chapter. Nothing herein shall be construed to



apply to a person selling at an auction property owned by him for at least six months.

Sec. 57. Minnesota Statutes 1980, Section 345.32, is amended to read:

**345.32 [PROPERTY HELD BY BANKING OR FINANCIAL ORGANIZATIONS OR BY BUSINESS ASSOCIATIONS.]**

The following property held or owing by a banking or financial organization or by a business association is presumed abandoned:

(a) Any demand, savings or matured time deposit made in this state with a banking organization, together with any interest or dividend thereon, excluding contracted service charges which may be deducted for a period not to exceed one year, unless the owner has, within ~~seven~~ *five* years:

(1) increased or decreased the amount of the deposit, or presented the pass-book or other similar evidence of the deposit for the crediting of interest; or

(2) corresponded in writing with the banking organization concerning the deposit; or

(3) otherwise indicated an interest in the deposit as evidenced by a memorandum on file with the banking organization; or

(4) received tax reports or regular statements of the deposit by mail from the banking or financial organization regarding the deposit. Receipt of the statement by the owner should be presumed if the statement is mailed first class by the banking or financial organization and not returned; or

(5) acted as provided in paragraphs (1), (2), (3) and (4) of this subsection in regard to another demand, savings or time deposit made with the banking or financial organization.

(b) Any funds or dividends deposited or paid in this state toward the purchase of shares or other interest in a business association where the stock certificates or other evidence of interest in the business have not been issued, or in a financial organization, and any interest or dividends thereon, excluding contracted service charges which may be deducted for a period not to exceed one year, unless the owner has within ~~seven~~ *five* years:

(1) increased or decreased the amount of the funds or deposit, or presented an appropriate record for the crediting of interest or dividends; or

(2) corresponded in writing with the financial organization concerning the funds or deposit; or

(3) otherwise indicated an interest in the funds or deposit as evidenced by a memorandum on file with the financial organization; or

(4) received tax reports or regular statements of the deposit or accounting by mail from the financial organization or business association regarding the deposit. Receipt of the statement by the owner should be presumed if the statement is mailed first class by the financial organization or business association and not returned.

(c) Any sum, excluding contracted service charges which may be deducted for a period not to exceed one year, payable on checks certified in this state or on written instruments issued in this state on which a banking or financial

organization or business association is directly liable, including, by way of illustration but not of limitation, drafts, money orders and traveler's checks, that has been outstanding for more than seven five years from the date it was payable, or from the date of its issuance if payable on demand, or, in the case of traveler's checks, has been outstanding for more than 15 years from the date of its issuance, unless the owner has within seven five years, or within 15 years in the case of traveler's checks, corresponded in writing with the banking or financial organization or business association concerning it, or otherwise indicated an interest as evidenced by a memorandum on file with the banking or financial organization or business association.

(d) Any funds or other personal property, tangible or intangible, removed from a safe deposit box or any other safekeeping repository in this state on which the lease or rental period has expired due to nonpayment of rental charges or other reason, that have been unclaimed by the owner for more than seven five years from the date on which the lease or rental period expired.

(1) If the amount due for the use or rental of a safe deposit box has remained unpaid for a period of six months, the bank, savings bank, trust company, savings and loan, or safe deposit company shall, within 60 days of the expiration of that period, send by certified mail, addressed to the renter or lessee of the safe deposit box, directed to the address standing on its books, a written notice that, if the amount due for the use or rental of the safe deposit box is not paid within 60 days after the date of the mailing of the notice, it will cause the safe deposit box to be opened and its contents placed in one of its general safe deposit boxes.

(2) Upon the expiration of 60 days from the date of mailing the notice, and in default of payment within the 60 days of the amount due for the use or rental of the safe deposit box, the bank, savings bank, trust company, savings and loan, or safe deposit company, in the presence of its president, vice-president, secretary, treasurer, assistant secretary, assistant treasurer or superintendent, or such other person as specifically designated by its board of directors, and of a notary public not in its employ, shall cause the safe deposit box to be opened and the contents thereof, to be removed and sealed by the notary public in a package, upon which he shall mark the name of the renter or lessee and also the estimated value of the contents of the safe deposit box and, in the presence of one of the bank officers listed above, the notary public shall place the package in one of the bank's general safe deposit boxes and set out the proceedings in a certificate under his official seal, which shall be delivered to the bank, savings bank, trust company, savings and loan, or safe deposit company.

(3) The bank, savings bank, trust company, savings and loan, or safe deposit company shall hold the contents of abandoned safe deposit boxes until they are claimed by the owner or the bank turns them over to the state treasurer pursuant to chapter 345.

Sec. 58. Minnesota Statutes 1980, Section 345.33, is amended to read:

**345.33 [UNCLAIMED FUNDS HELD BY LIFE INSURANCE CORPORATIONS.]**

(a) Unclaimed funds, as defined in this section, held and owing by a life insurance corporation shall be presumed abandoned if the last known address, according to the records of the corporation, of the person entitled to the funds is

within this state. If a person other than the insured or annuitant is entitled to the funds and no address of such person is known to the corporation or if it is not definite and certain from the records of the corporation what person is entitled to the funds, it is presumed that the last known address of the person entitled to the funds is the same as the last known address of the insured or annuitant according to the records of the corporation.

(b) "Unclaimed funds," as used in this section, means all moneys held and owing by any life insurance corporation unclaimed and unpaid for more than ~~seven~~ five years after the moneys became due and payable as established from the records of the corporation under any life or endowment insurance policy or annuity contract which has matured. A life insurance policy not matured by actual proof of the death of the insured is deemed to be matured and the proceeds thereof are deemed to be due and payable if such policy was in force when the insured attained the limiting age under the mortality table on which the reserve is based, unless the person appearing entitled thereto has within the preceding ~~seven~~ five years, (1) assigned, readjusted or paid premiums on the policy, or subjected the policy to loan, or (2) corresponded in writing with the life insurance corporation concerning the policy. Moneys or drafts otherwise payable according to the records of the corporation are deemed due and payable although the policy or contract has not been surrendered as required.

Sec. 59. Minnesota Statutes 1980, Section 345.34, is amended to read:

345.34 [DEPOSITS HELD BY UTILITIES.]

Any deposit held or owing by any utility made by a subscriber after January 1, 1960, to secure payment for, or any sum paid in advance for, utility services to be furnished in this state, excluding any charges that may lawfully be withheld, that has remained unclaimed by the person appearing on the records of the utility entitled thereto for more than ~~seven years~~ one year after the termination of the services for which the deposit or advance payment was made is presumed abandoned.

Sec. 60. Minnesota Statutes 1980, Section 345.37, is amended to read:

345.37 [PROPERTY HELD BY FIDUCIARIES.]

All intangible personal property and any income or increment thereon, held in a fiduciary capacity for the benefit of another person is presumed abandoned unless the owner has, within ~~seven~~ five years after it becomes payable or distributable, increased or decreased the principal, accepted payment of principal or income, corresponded in writing concerning the property, or otherwise indicated an interest as evidenced by a memorandum on file with the fiduciary if:

(a) the property is held by a banking organization or a financial organization or by a business association organized under the laws of or created in this state; or

(b) it is held by a business association, doing business in this state, but not organized under the laws of or created in this state, and the records of the business association indicate that the last known address of the person entitled thereto is in this state; or

(c) it is held in this state by any other person.

Sec. 61. Minnesota Statutes 1980, Section 345.38, is amended to read:

**345.38 [PROPERTY HELD BY STATE COURTS AND PUBLIC OFFICERS AND AGENCIES.]**

Subdivision 1. All intangible personal property held for the owner by any court, public corporation, public authority or public officer of this state, or a political subdivision thereof, that has remained unclaimed by the owner for more than ~~seven~~ *five* years is presumed abandoned except as provided in section 524.3-914.

Subd. 2. This section shall not apply to property held for persons while residing in public correctional or other institutions. As to such persons, said property shall be presumed abandoned if it has remained unclaimed by the owner for more than ~~seven~~ *five* years after such residence ceases.

Subd. 3. All intangible personal property held for the owner by any government or political subdivision or agency, that has remained unclaimed by the owner for more than ~~seven~~ *five* years is presumed abandoned and is reportable pursuant to section 345.41, if:

(a) the last known address as shown on the records of the holder of the apparent owner is in this state; or

(b) no address of the apparent owner appears on the records of the holder; and

(1) the last known address of the apparent owner is in this state; or

(2) the holder is domiciled in this state and has not previously transferred the property to the state of the last known address of the apparent owner.

Sec. 62. Minnesota Statutes 1980, Section 345.39, is amended to read:

**345.39 [MISCELLANEOUS PERSONAL PROPERTY HELD FOR ANOTHER PERSON.]**

All intangible personal property, not otherwise covered by sections 345.31 to 345.60, including any income or increment thereon, but excluding any charges that may lawfully be withheld, that is held or owing in this state in the ordinary course of the holder's business and has remained unclaimed by the owner for more than ~~seven~~ *three* years after it became payable or distributable is presumed abandoned. Property covered by this section includes, but is not limited to: (a) unclaimed wages or worker's compensation; (b) deposits or payments for repair or purchase of goods or services; (c) credit checks or memos, or customer overpayments; (d) unidentified remittances, unrefunded overcharges; (e) unpaid claims, unpaid accounts payable or unpaid commissions; (f) unpaid mineral proceeds, royalties or vendor checks; and (g) credit balances, accounts receivable and miscellaneous outstanding checks.

Sec. 63. Minnesota Statutes 1980, Section 473.408, Subdivision 3, is amended to read:

Subd. 3. [SPECIAL FARES.] In off-peak hours the commission and other operators shall charge the following reduced fares for transit service:

(a) not more than 20 cents plus any zone charges for all persons under the age of 18 holding an identification card issued by the commission;

(b) not more than ten cents for all persons 65 years of age and over holding a medicare card or other identification card authorized or approved by the com-

mission; and

(c) not more than one-half of the full fare for all handicapped persons, as defined by the commission.

Any person qualifying for a reduced fare pursuant to clause (b) whose income is below 150 percent of poverty guidelines established by the federal community services administration may qualify for exemption from the fare otherwise required to be paid under clause (b). The person may qualify for exemption by certifying income level on a form provided by the commission. The commission shall issue an annual pass to persons who qualify for exemption and shall require the persons to requalify annually. The commission shall make appropriate certification forms available by mail and at the offices and information centers maintained by the commission.

Sec. 64. Minnesota Statutes 1981 Supplement, Section 473.446, Subdivision 1, is amended to read:

Subdivision 1. [TAXATION WITHIN TRANSIT TAXING DISTRICT.] For the purposes of sections 473.401 to 473.451 and the metropolitan transit system, except as otherwise provided in this subdivision the metropolitan transit commission shall levy each year upon all taxable property within the metropolitan transit taxing district, defined in subdivision 2, a transit tax consisting of:

(a) An amount equal to ~~1.72~~ two mills times the assessed value of all such property, the proceeds of which shall be used for payment of the expenses of operating transit and paratransit service;

(b) An additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1977; to which property taxes under this section have been pledged; and

(c) An additional amount necessary to provide full and timely payment of certificates of indebtedness, bonds, or other obligations issued 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 174.265, 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 174.265 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.

Sec. 65. Minnesota Statutes 1980, Section 540.152, is amended to read:

540.152 [SERVICE OF PROCESS ON UNIONS, GROUPS OR ASSOCIATIONS.]

The transaction of any acts, business or activities within the state of Minnesota by any officer, agent, representative, employee or member of any union or other groups or associations having officers, agents, members or property

without the state on behalf of the union or other groups or associations or any of its members or affiliated local unions shall be deemed an appointment by the union or other groups or associations of the secretary of state of the state of Minnesota to be the true and lawful attorney of the union or other groups or associations, upon whom may be served all legal processes or notices in any action or proceeding against or involving the union or other groups or associations growing out of any acts, business or activities within the state of Minnesota resulting in damage or loss to person or property or giving rise to any cause of action under the laws of the state of Minnesota or to any matters or proceedings arising under the Minnesota Labor Relations Act. Such acts, business or activities shall be a signification of the agreement of the union or other groups or associations and its members that any process or notice in any action, matter or proceeding against or involving it, which is so served, shall be of the same legal force and validity as if served upon the union or other groups or associations and its members personally. Service of process or notice shall be made by filing a copy thereof in the office of the secretary of state, together with payment of a fee of \$10 \$15 and together with an affidavit that no officer or managing agent of the union or other group or association has been found in this state ~~and thereupon~~. The service shall be sufficient service upon the union or other groups or associations and its members; ~~and~~. Notice of service and a copy of the process or notice shall, within ten days thereafter, be sent by mail by the person who caused it to be served on the union or other groups or associations at its last known address and an affidavit of compliance with the provisions of this chapter shall be filed with the court or other state agency or department before which the action, matter, or proceeding is pending.

Sec. 66. Minnesota Statutes 1980, Section 543.08, is amended to read:

543.08 [SUMMONS, SERVICE UPON CERTAIN CORPORATIONS.]

If a private domestic corporation has no officer within the state upon whom service can be made, of which fact the return of the sheriff that none can be found in his county shall be conclusive evidence, service of the summons upon it may be made by depositing two copies, together with a fee of \$10 \$15 with the secretary of state, which shall be deemed personal service upon the corporation. One of the copies shall be filed by the secretary, and the other forthwith mailed by him to the corporation *by certified mail*, if the place of its main office is known to him or is disclosed by the files of his office.

If the defendant is a foreign insurance corporation, the summons may be served by two copies delivered to the insurance commissioner, who shall file one in his office and forthwith mail the other postage prepaid to the defendant at its home office.

Sec. 67. [REPEALER.]

*Minnesota Statutes 1980, Sections 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; and 317.67, Subdivision 1; and Minnesota Statutes 1981 Supplement, Sections 3.965; Subdivision 6; and 362.453; and Laws 1981, Chapter 356, Section 44, are repealed.*

Sec. 68. [EFFECTIVE DATE.]

*Except as otherwise specifically provided in this article, this article is effective January 1, 1982. Sections 1 to 6 are effective the day following final*

*enactment. Section 33 is effective December 31, 1981. Sections 13 to 15 are effective April 1, 1982.*

## ARTICLE II

### EDUCATION AID REDUCTIONS AND SUSPENSIONS;

#### LEVY ADJUSTMENTS

Section 1. Minnesota Statutes 1981 Supplement, 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 biennium 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 16A.153, 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).

~~Provided, however, no allotment pursuant to an appropriation for state aids, payments, reimbursements or fund transfers to or on behalf of school districts shall be reduced pursuant to this subdivision.~~ 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.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.2121, Subdivision 4, is amended to read:

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. *However, the equalizing factor for discretionary and replacement aids for the 1982-1983 school year shall be \$61,565.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 1, is amended to read:

Subdivision 1. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be \$1,333 for foundation aid for the 1981-1982 school year. The formula allowance shall be ~~\$1,416~~ \$1,346 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 2, is amended to read:

Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. The basic maintenance mill rate shall be .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~~ .024 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.

Sec. 5. Laws 1981, Chapter 358, Article 7, Section 29, is amended to read:

Sec. 29. [EXEMPTION FROM PUBLIC SALE.] Notwithstanding Minnesota Statutes, Section 124.76, from the effective date of this section of this article June 1, 1981 until January 1, 1982 June 30, 1983, 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. 6. [RECERTIFICATION OF BASIC MAINTENANCE AND TRANSPORTATION LEVIES.]

Subdivision 1. [RECERTIFICATION REQUIRED.] *Notwithstanding the provisions of Minnesota Statutes, Chapters 275 and 124 or any other law to the contrary, by January 10, 1982, each school district shall recertify the basic maintenance levy authorized in Minnesota Statutes, Section 275.125, Subdivision 2a, and the transportation levy authorized in Minnesota Statutes, Section 275.125, Subdivision 5, for taxes assessed in 1981, payable in 1982, as provided in this section.*

Subd. 2. [ADDITIONAL AMOUNT OF BASIC MAINTENANCE LEVY.] *The school district shall add an amount to the basic maintenance levy equal to the lesser of:*

(a) *the difference between*

(1) *the product of*

(A) *the estimated number of actual pupil units, as defined in Minnesota Statutes, Section 124.2121, Subdivision 3, Clause (a), in the district in the 1982-1983 school year, times*

(B) *\$1,346, and*

(2) *the amount already certified in 1981 by the district for basic maintenance purposes; or*

(b) *one mill times the 1980 adjusted assessed valuation of the district.*

*A district in which the basic maintenance levy was computed under the provisions of Minnesota Statutes, Section 275.125, Subdivision 2e, shall not recertify its basic maintenance levy.*

Subd. 3. [ADDITIONAL AMOUNT OF TRANSPORTATION LEVY.] *The school district shall add an amount to the transportation levy equal to one mill times the 1980 adjusted assessed valuation of the district.*



Sec. 7. [DECEMBER, 1981 AND JANUARY, 1982 EDUCATION AID PAYMENTS SUSPENDED.]

*Notwithstanding the provisions of Minnesota Statutes, Sections 16A.15 and 124.11, or any other law to the contrary, the commissioner of education may suspend payment of some or all state aids, payments, reimbursements and fund transfers from some or all school districts, public library systems, multi-type library systems, educational cooperative service units or regional management information systems in the months of December, 1981 and January, 1982. The commissioner may consider the cash flow requirements of each individual recipient when determining whether to suspend payments of any aid, payments, reimbursements or fund transfers.*

Sec. 8. [CERTIFICATION.]

*By December 31, 1981, or as soon as possible thereafter, and by January 31, 1982, the commissioner shall certify to each recipient the amount of aids, payments, reimbursements, or fund transfers suspended pursuant to section 7. The commissioner shall issue a certificate of unpaid aids for the certified amount to be paid by February 26, 1982.*

Sec. 9. [REPAYMENT BY FEBRUARY 26, 1982.]

*Notwithstanding any law to the contrary, by February 26, 1982, the commissioner of finance shall draw warrants in favor of school districts, public library systems, multi-type library systems, educational cooperative service units or regional management information systems for any of the state aids, payments, reimbursements and fund transfers that were suspended by the commissioner of education pursuant to section 7, plus interest as provided in section 10.*

Sec. 10. [PAYMENT OF INTEREST.]

*The state shall pay interest on any state aids, payments, reimbursements or fund transfers suspended pursuant to section 7. Interest shall be calculated as simple interest at a rate equal to the average yield for the Bond Buyer's Index of 20 Municipals, published for the week in which the suspended payment was scheduled to be made to the school district, public library system, multi-type library systems, educational cooperative service unit, or regional management information system.*

Sec. 11. Laws 1981, Chapter 358, Article I, Section 50, Subdivision 3, is amended to read:

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 amount for this purpose are is 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~~ appropriation in this subdivision for this purpose.

Sec. 12. [APPROPRIATION REDUCTIONS.]

*Subdivision 1. [FOUNDATION AID.] The sum of appropriations for foundation aid for fiscal year 1983 in Laws 1981, Chapter 358, Article I, Section 50, Subdivision 2, and Laws 1981, First Special Session, Chapter 2, Section 2, Subdivision 1, is reduced by \$69,137,060.*

*Subd. 2. [TRANSPORTATION AID.] The appropriation for transportation aid for fiscal year 1983 in Laws 1981, Chapter 358, Article II, Section 15, Subdivision 2, as amended by Laws 1981, First Special Session, Chapter 2, Section 9, is reduced by \$22,344,000. This reduction is in addition to the reduction in subdivision 3.*

*Subd. 3. [OTHER AIDS.] Appropriations made for fiscal year 1983 pursuant to Laws 1981, Chapter 358, Article II, Section 15, Subdivision 2; Article III, Section 21, Subdivisions 2, 3, 4, 5, 6, and 7; Article IV, Section 12, Subdivisions 2 and 3; Article V, Section 48, Subdivisions 9, 10, 11, 12, and 13; Article VI, Section 46, Subdivisions 2, 3, 4, 5, 6, 7, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20; Article VIII, Section 20, Subdivisions 2, 3, and 4; and Laws 1981, First Special Session, Chapter 2, Section 2, Subdivision 3, and Section 9, Subdivision 2, are reduced by seven and one-half percent.*

*Subd. 4. [CERTAIN VOCATIONAL AIDS.] Appropriations made for fiscal year 1983 pursuant to Laws 1981, Chapter 358, Article V, Section 48, Subdivisions 2, 3, 4, 5, and 6 are reduced by eight percent.*

*Subd. 5. [ADDITIONAL REDUCTION.] In addition to the reductions made pursuant to subdivisions 1, 2, 3, and 4, the total general fund appropriation to the department of education for education aids for fiscal year 1983 is reduced by \$20,900,000. The commissioner of education shall apportion this reduction among school districts, public library systems, multi-type library systems, educational cooperative service units, and regional management information systems in the same manner in which he apportioned the education aid reductions made in fiscal year 1981 pursuant to Minnesota Statutes 1980, Sections 16A.15, Subdivision 1, and 124.77, because funds in the state treasury were insufficient.*

Sec. 13. [APPROPRIATION.]

*An amount sufficient to pay the interest payable under section 10 is appropriated from the general fund to the commissioner of education.*

Sec. 14. [REPEALER.]

*Minnesota Statutes 1981 Supplement, Sections 124.20, Subdivision 3; 124.781, and 275.125, Subdivision 2f, are repealed. Laws 1981, First Special Session, Chapter 2, Section 2, Subdivision 2, is repealed.*

Sec. 15. [EFFECTIVE DATE.]

*Sections 1 to 14 are effective the day following final enactment.*

ARTICLE III

PROPERTY, INCOME, AND SALES TAXES

Section 1. Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 15a, 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, and 14a 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. Payments shall be made to each school district beginning in August, 1982 according to the schedule set in section 124.11, subdivision 1a.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 15b, is amended 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 *excluding any amount levied pursuant to section 275.50, subdivision 5, clause (k)*, 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 *excluding any amount levied pursuant to section 275.50, subdivision 5, clause (k)*, 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, *plus any amount levied pursuant to section 275.50, subdivision 5, clause (k), for taxes payable in 1982*. 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, *plus any amount levied pursuant to section 275.50, subdivision 5, clause (k), for taxes payable in 1982*. 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. [RECERTIFICATION.]

*The county auditor of any county in which an amount was levied for taxes payable in 1982 pursuant to section 275.50, subdivision 5, clause (k), shall notify the commissioner of revenue. The commissioner of revenue shall recertify to the county auditor the property tax credits limitation amounts for taxes payable in 1982.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; 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, 1980.

The term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income 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 subdivision. For estates and trusts the adjusted gross income shall be their federal taxable income 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 subdivision and with the modification that the federal deduction for personal exemptions for trusts and estates shall not be allowed.

(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, sections 131, 133, 134, 141, 152, 156, 157, 405, and 543 of P.L. 95-600, and section 2 of P.L. 96-608 (relating to pensions; individual retirement accounts, deferred compensation plans, the sale of a residence and to conservation payments to farmers) including the amendments made to these sections in P.L. 96-222 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.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1980, and as amended by sections 302(b) and 501 to 509 of Public Law Number 97-34, shall be in effect for taxable years beginning after December 31, 1980 including 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. The provisions of P.L. 96-471 (relating to installment sales) and sections 501 to 507, of the Economic Recovery Tax Act of 1981, Public Law Number 97-34 shall be effective at the same time that they become effective for federal income tax purposes.

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) A business casualty loss if the taxpayer elected to deduct the loss on the current year's federal income tax return but had deducted the loss on the previous year's Minnesota income tax return;

(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 amount of the federal income tax overpayment shall be reported only to the extent that the amount resulted in a reduction of the tax imposed by this chapter.

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, combined, or separate Minnesota income tax returns. In the case of combined or 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 combined or 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) 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);

(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;

(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under section 290.08, subdivision 25;

(20) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10); and

(21) To the extent excluded from federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of contributions made by the city manager or administrator which is equal to the amount which would have been the city manager's or administrator's employee contribution pursuant to section 353.27, subdivision 2, if he were a member of the public employees retirement association.

(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 or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether the amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or

from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, 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) 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, 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;

(18) Minnesota exempt-interest dividends as provided by subdivision 27;

(19) A business casualty loss which the taxpayer elected to deduct on the current year's Minnesota income tax return but did not deduct on the current year's federal income tax return; and

(20) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);

(21) To the extent included in federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a)(21); and

(22) Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25.

(c) A modification affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954 shall be made.

In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under this chapter and at the close of the taxable year immediately preceding the effective election under this chapter 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 chapter.

(d) 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 chapter and 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 chapter.

(e) 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 (or as an offset against the sales price of property in determining gain or loss) in computing the taxable income of the estate or any person unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have the amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the 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. 5. Minnesota Statutes 1980, Section 290.06, is amended by adding a subdivision to read:

*Subd. 2e. [INTERMITTENT ADDITIONAL INCOME TAX.] (a) 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 determined by the commissioner pursuant to clause (b) 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. This tax shall not be imposed for taxable years beginning during a calendar year in which the commissioner of finance determines pursuant to clause (b) that the state's unrestricted general fund balance at the close of the biennium will equal or exceed \$50 million.*

*(b) On November 10 of each year the commissioner of finance shall determine, according to his best estimate, the amount of the state's unrestricted general fund balance at the close of the current biennium. If this amount is less than \$50 million, the commissioner of finance shall certify to the commissioner the amount of additional revenue necessary to end the biennium with an unrestricted general fund balance of \$50 million. The commissioner shall determine the rate of additional tax for taxable years beginning during the current calendar year which is necessary to provide sufficient moneys to end the biennium with an unrestricted general fund balance of \$50 million. The resulting rate shall be imposed pursuant to clause (a).*

Sec. 6. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 3, is amended to read:

*Subd. 3. [INTEREST.] (a) All interest paid or accrued within the taxable year on indebtedness, except as hereinafter provided.*

*(b) Interest paid or accrued within the taxable year on indebtedness incurred*

or continued to purchase or carry obligations or securities the income from which is excludable from gross income under sections 290.01, subdivision 20 or 290.08, or shares of a regulated investment company which during the taxable year of the holder thereof distributes Minnesota exempt-interest dividends as defined in section 290.01, subdivision 27, or on indebtedness described in section 264(a)(2) and (3), (b) and (c) (relating to life insurance) of the Internal Revenue Code of 1954, as amended through December 31, 1980 shall not be allowed as a deduction.

(c) If personal property or educational services are purchased under a contract the provisions of section 163(b) of the Internal Revenue Code of 1954, as amended through December 31, 1980 shall apply.

(d) A cash-basis taxpayer may elect to deduct interest as it accrues on a reverse mortgage loan as defined in section 47.58, subdivision 1, rather than when it is actually paid. This election must be made, if at all, in the first taxable year in which it is available to the cash-basis taxpayer and, if made, shall be binding on the taxpayer for each subsequent taxable year until maturity of the loan.

(e) In the case of a taxpayer other than a corporation, the amount of interest on investment indebtedness allowable as a deduction shall be allowed and limited as set forth in section 163(d) of the Internal Revenue Code of 1954, as amended through December 31, 1980. The limitation prescribed in section 163(d)(1)(A) for married individuals who file separate returns shall also apply to married individuals who file separately on one return.

(f) A taxpayer may not deduct interest on indebtedness incurred or continued to purchase or carry obligations or shares, or to make deposits or other investments, the interest on which is described in section 116(c) of the Internal Revenue Code of 1954, as amended through December 31, 1980 to the extent such interest is excludable from gross income under section 116 of the Internal Revenue Code of 1954 as amended through December 31, 1980. *Interest and carrying costs in the case of straddles shall be treated as provided in section 263(g) of the Internal Revenue Code of 1954, as amended through October 2, 1981.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 4, is amended to read:

Subd. 4. [TAXES.] Taxes paid or accrued within the taxable year, except (a) income or franchise taxes imposed by this chapter 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 (including the windfall profit tax on domestic crude oil); by corporations, national and state banks; (g) mortgage registry tax; (h) real estate transfer tax; (i) federal telephone tax; (j) federal transportation tax; and (k) *excise taxes paid on gasoline and special fuels*; (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, 1980. 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. 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. 8. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 7, is amended to read:

Subd. 7. [DEPRECIATION.] (A) [CUMULATIVE DEPRECIATION.] (a) There shall be allowed as a depreciation deduction a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence):

- (1) of property used in the trade or business, or
- (2) of property held for the production of income.

(b) The term "reasonable allowance" as used in clause (a) shall include (but shall not be limited to) an allowance computed in accordance with regulations prescribed by the commissioner, under any of the following methods:

- (1) the straight line method.
- (2) the declining balance method, using a rate not exceeding twice the rate which would have been used had the annual allowance been computed under the method described in paragraph (1).
- (3) the sum of the years-digits method, and
- (4) any other consistent method productive of an annual allowance, which, when added to all allowances for the period commencing with the taxpayer's use of the property and including the taxable year, does not, during the first two-thirds of the useful life of the property, exceed the total of such allowances which would have been used had such allowances been computed under the method described in (2). Nothing in this clause (b) shall be construed to limit or reduce an allowance otherwise allowable under clause (a).

*For purposes of this subdivision "reasonable allowance" shall not include the accelerated cost recovery system provisions of section 168 of the Internal Revenue Code of 1954, as amended through October 2, 1981, unless specifically authorized by legislation enacted after the final enactment of this section.*

(c) Paragraphs (2), (3), and (4) of clause (b) shall apply only in the case of property (other than intangible property) described in clause (a) with a useful life of three years or more.

(1) the construction, reconstruction, or erection of which is completed after December 31, 1958, and then only to that portion of the basis which is properly attributable to such construction, reconstruction, or erection after December 31, 1958, or

- (2) acquired after December 31, 1958, if the original use of such property

commenced with the taxpayer and commences after such date.

(d) Where, under regulations prescribed by the commissioner, the taxpayer and the commissioner have, after June 30, 1959, entered into an agreement in writing specifically dealing with the useful life and rate of depreciation of any property, the rate so agreed upon shall be binding on both the taxpayer and the commissioner in the absence of facts or circumstances not taken into consideration in the adoption of such agreement. The responsibility of establishing the existence of such facts and circumstances shall rest with the party initiating the modification. Any change in the agreed rate and useful life specified in the agreement shall not be effective for taxable years before the taxable year in which notice in writing by certified mail is served by the party to the agreement initiating such change.

(e) In the absence of an agreement under clause (d) containing a provision to the contrary, a taxpayer may at any time elect in accordance with regulations prescribed by the commissioner to change from the method of depreciation prescribed in clause (b) (2) to the method described in clause (b) (1).

(f) The basis on which exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property shall be the adjusted basis provided in sections 290.131 to 290.139, 290.14 and 290.15 for the purpose of determining the gain on the sale or other disposition of such property.

(g) In the case of property held by one person for life with remainder to another person, the deduction shall be computed as if the life tenant were the absolute owner of the property and shall be allowed to the life tenant. In the case of property held in trust the allowable deduction shall be apportioned between the income beneficiary and the trustee in accordance with the pertinent provisions of the instrument creating the trust, or, in the absence of such provisions, on the basis of the trust income allocable to each. In the case of an estate, the allowable deduction shall be apportioned between the estate and the heirs, legatees, and devisees on the basis of the income of the estate allocable to each.

(h) In the case of buildings or other structures or improvements constructed or made on leased premises by a lessee, and the fixtures and machinery therein installed, the lessee alone shall be entitled to the allowance of this deduction.

(B) [FIRST YEAR DEPRECIATION.] (a) In the case of section 1 property, the term "reasonable allowance" as used in subdivision 7, may, at the election of the taxpayer, include an allowance, for the first taxable year for which a deduction is allowable under subdivision 7, to the taxpayer with respect to such property, of 20 percent of the cost of such property.

(b) If in any one taxable year the cost of section 1 property with respect to which the taxpayer may elect an allowance under (a) for such taxable year exceeds \$10,000, then (a) shall apply with respect to those items selected by the taxpayer, but only to the extent of an aggregate cost of \$10,000. In the case of a husband and wife who file a joint return under section 290.38 for the taxable year, the limitation under the preceding sentence shall be \$20,000 in lieu of \$10,000.

(c) (1) The election under this subdivision for any taxable year shall be made within the time prescribed by law (including extensions thereof) for filing the return for such taxable year. The election shall be made in such manner as the

commissioner may by regulations prescribe.

(2) Any election made under this subdivision may not be revoked except with the consent of the commissioner.

(d) (1) For purposes of this subdivision, the term "Section 1 property" means tangible personal property (excluding buildings and structures)

(A) of a character subject to the allowance for depreciation under subdivision 7.

(B) acquired by purchase after December 31, 1958, for use in a trade or business or for holding for production of income, and

(C) with a useful life (determined at the time of such acquisition) of six years or more.

(2) For purposes of paragraph (1), the term "purchase" means any acquisition of property, but only if

(A) the property is not acquired from a person whose relationship to the person acquiring it would result in the disallowance of losses under section 290.10(6),

(B) the property is not acquired by one component member of a controlled group from another component member of the same controlled group, and

(C) the basis of the property in the hands of the person acquiring it is not determined

(i) in whole or in part by reference to the adjusted basis of such property in the hands of the person from whom acquired, or

(ii) under section 290.14(4) (relating to property acquired from a decedent).

(3) For purposes of this subdivision, the cost of property does not include so much of the basis of such property as is determined by reference to the basis of other property held at any time by the person acquiring such property.

(4) This subdivision shall not apply to trusts.

(5) In the case of an estate, any amount apportioned to an heir, legatee, or devisee shall not be taken into account in applying (B) of this subdivision to section 1 property of such heir, legatee, or devisee not held by such estate.

(6) For purposes of (B) of this subdivision

(A) all component members of a controlled group shall be treated as one taxpayer, and

(B) the commissioner shall apportion the dollar limitation contained in such (B) among the component members of such controlled group in such manner as he shall by regulations prescribe.

(7) For purposes of paragraphs (2) and (6), the term "controlled group" has the meaning assigned to it by section 1563(a) of the Internal Revenue Code of 1954, as amended through December 31, 1979, except that, for such purposes, the phrase "more than 50 percent" shall be substituted for the phrase "at least 80 percent" each place it appears in section 1563(a)(1) of the Internal Revenue Code of 1954, as amended through December 31, 1979.

Sec. 9. Minnesota Statutes 1981 Supplement, Section 290.18, Subdivision

4, is amended 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. 10. Minnesota Statutes 1981 Supplement, Section 290.53, Subdivision 1, is amended to read:

Subdivision 1. [FAILURE TO PAY TAX.] If any tax imposed by this chapter is not paid within the time herein specified for the payment thereof, or within 30 days after final determination of an appeal to the tax court relating thereto *if the taxpayer is not required to pay the amount in dispute pending appeal under section 11*, there shall be added thereto a specific penalty equal to ten percent of the amount so remaining unpaid. Such penalty shall be collected as part of said tax, and the amount of said tax not timely paid, together with said penalty shall bear interest at the rate specified in section 270.75 from the time such tax should have been paid until paid. Interest accruing upon the tax due as disclosed by the return or upon the amount determined as a deficiency from the date prescribed for the payment of the tax (if the tax is payable in installments, from the date the installment or installments become due and payable under the provisions of section 290.45, subdivision 1) shall be added to the tax and be collected as a part thereof. Where an extension of time for payment has been granted under section 290.45, subdivision 2, interest shall be paid at the rate specified in section 270.75 from the date when such payment

should have been made if no extension had been granted, until such tax is paid. If payment is not made at the expiration of the extended period the penalties provided in this section shall apply.

Sec. 11. [290.531] [PAYMENT OF TAX PENDING APPEAL.]

*When a taxpayer appeals his tax liability under chapter 290 to the tax court, and the amount in dispute is more than \$4,000, the entire amount of the tax shall be paid at the time it is due unless permission to continue prosecution of the petition without payment is obtained as provided herein. The petitioner, upon ten days notice to the commissioner, may apply to the court for permission to continue prosecution of the petition without payment; and, if it is made to appear*

*(1) That the proposed review is to be taken in good faith;*

*(2) That there is probable cause to believe that the taxpayer may be held exempt from the tax or that the tax may be determined to be less than 50 percent of the amount due; and*

*(3) That it would work a substantial hardship upon petitioner to pay the tax,*

*the court may permit the petitioner to continue prosecution of the petition without payment, or may fix a lesser amount to be paid as a condition of continuing the prosecution of the petition.*

*Failure to make payment of the amount required when due shall operate automatically to dismiss the petition and all proceedings thereunder unless the payment is waived by an order of the court permitting the petitioner to continue prosecution of the petition without payment.*

Sec. 12. Minnesota Statutes 1980, Section 297.02, is amended by adding a subdivision to read:

*Subd. 1a. [ADDITIONAL TAX.] In addition to the tax imposed pursuant to subdivision 1, 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.*

Sec. 13. Minnesota Statutes 1980, Section 297.13, Subdivision 1, is amended to read:

297.13 [REVENUE, DISPOSAL.]

Subdivision 1. [CIGARETTE TAX APPORTIONMENT ACCOUNT.] Notwithstanding any other provisions of law, five and one-half percent of the revenues received from taxes, penalties and interest under sections 297.01 to 297.13 except for that which is paid under section 297.02, subdivision 1a, shall be deposited by the commissioner of revenue in the general fund and credited to a special account to be known as the "natural resources account," which is hereby created. Expenditures shall be made from said account only as may be authorized by law to carry out the provisions of this act and in con-



formance with the provisions of chapter 16. Five and one-half percent *except for that which is paid under section 297.02, subdivision 1a*, shall be deposited in the general fund and credited to the "natural resources acceleration" account for the purposes provided in Laws 1969, Chapter 879, Section 4. The balance of the revenues derived from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be deposited by the commissioner in the general fund and credited to the general fund.

Sec. 14. Minnesota Statutes 1980, Section 297.22, is amended by adding a subdivision to read:

*Subd. 1a. [ADDITIONAL TAX.] In addition to the tax imposed pursuant to subdivision 1, 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.*

Sec. 15. Minnesota Statutes 1980, Section 297.26, is amended to read:

297.26 [REVENUE DISTRIBUTION.]

All revenues derived from taxes, penalties and interest under sections 297.21 to 297.26 shall be deposited by the commissioner in the general fund and disposed of in the same manner as provided by section 297.13 for revenues received under sections 297.01 to 297.13 *except that no amount of the revenue from the additional tax imposed pursuant to section 297.22, subdivision 1a, shall be credited to the natural resources account or to the natural resources acceleration account.*

Sec. 16. Minnesota Statutes 1980, Section 297A.39, Subdivision 1, is amended to read:

Subdivision 1. If any tax imposed by sections 297A.01 to 297A.44, or any portion thereof, is not paid within the time herein specified for the payment, or an extension thereof, or within 30 days after final determination of an appeal to the tax court relating thereto *if the taxpayer is not required to pay the amount in dispute pending appeal under section 17*, there shall be added thereto a specific penalty equal to ten percent of the amount remaining unpaid.

Sec. 17. [297A.391] [PAYMENT OF TAX PENDING APPEAL.]

*When a taxpayer appeals his tax liability under chapter 297A to the tax court, and the amount in dispute is more than \$4,000, the entire amount of the tax shall be paid at the time it is due unless permission to continue prosecution of the petition without payment is obtained as provided herein. The petitioner, upon ten days notice to the commissioner, may apply to the court for permission to continue prosecution of the petition without payment; and, if it is made to appear*

*(1) That the proposed review is to be taken in good faith;*

*(2) That there is probable cause to believe that the taxpayer may be held exempt from payment of the tax or that the tax may be determined to be less than*

50 percent of the amount due; and

(3) That it would work a substantial hardship upon petitioner to pay the tax, the court may permit the petitioner to continue prosecution of the petition without payment, or may fix a lesser amount to be paid as a condition of continuing the prosecution of the petition.

Failure to make payment of the amount required when due shall operate automatically to dismiss the petition and all proceedings thereunder unless the payment is waived by an order of the court permitting the petitioner to continue prosecution of the petition without payment.

Sec. 18. Minnesota Statutes 1981 Supplement, Section 477A.03, Subdivision 2, is amended to read:

Subd. 2. [LIMITATION ON APPROPRIATION; PROPORTIONATE REDUCTION.] The amount appropriated under subdivision 1 shall not exceed \$270,725,464 \$245,725,464 for calendar year 1982 and shall not exceed \$293,561,978 for calendar year 1983. If the limitations contained in this subdivision result in a reduction in the amounts determined pursuant to sections 477A.012 and 477A.013, 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. 19. [PRORATION OF 1982 AID PAYMENTS.]

Notwithstanding the provisions of Minnesota Statutes, Chapter 477A or any other law to the contrary, the reduction in state aids payable to local governments required under section 18 shall be effected by providing a pro rata reduction of the aids that would have been paid to each county and municipality under the provisions of Minnesota Statutes 1981 Supplement, Sections 477A.011 to 477A.014 if there had been no such reduction.

Sec. 20. [PROPERTY TAX REFUND REDUCTION.]

For claims filed in 1982 based upon rent paid in 1981, the commissioner of revenue shall pay 92 percent of the credits allowable under section 290A.04, subdivisions 1, 2, and 2a. For purposes of this section, the commissioner shall not reduce the property tax refund of a claimant who is disabled or who had attained the age of 65 by June 1 of the year in which the property taxes were payable. The commissioner shall include with each refund a statement that the reduction is made pursuant to this section.

Sec. 21. Laws 1981, First Special Session, Chapter 1, Article I, Section 5, is amended to read:

Sec. 5. [TRANSITIONAL PROVISION.]

Notwithstanding the provisions of sections 1, 2, and 3, for taxable years beginning after December 31, 1980 and before January 1, 1982 the inflation adjustment of the income tax brackets, credits, and maximum standard deduction shall be the arithmetic average of (1) the percentage computed pursuant to Minnesota Statutes 1980, Sections 290.06, Subdivisions 2d and 3g, and 290.09, Subdivision 15, as applicable and (2) the percentage computed pursuant to section 1 of this article. The taxable net income adjustment factor for taxable years beginning after December 31, 1980 and before January 1, 1982 shall be ~~one-half of the amount computed pursuant to section 4 computed as~~

follows: the taxable net income adjustment factor calculated pursuant to Laws 1981, First Special Session, Chapter 1, Article 1, Section 4 minus one shall be divided by two and the resulting quotient added to one.

Sec. 22. [EFFECTIVE DATE.]

Section 2 is effective for taxes payable in 1982. Sections 3 and 8 are effective the day following final enactment. Section 4 is effective at the same time each of its provisions become effective for federal purposes. Section 5 is effective November 1, 1982. Section 6 is effective for property acquired and positions established after June 23, 1981 in tax years ending after that date. Section 7 is effective for taxable years beginning after December 31, 1981. Sections 9 and 21 are effective for taxable years beginning after December 31, 1980. Sections 10, 11, 16, and 17 are effective for petitions filed after January 31, 1982. Sections 12 to 15 are effective January 1, 1982. Section 20 is effective for claims based upon rent paid in 1981.

ARTICLE IV

BUSINESS TAXES

Section 1. [STATEMENT OF LEGISLATIVE INTENT.]

The legislature finds that certain provisions of the state income tax law generally applied to corporations produce an inequitable result when applied to major oil companies, allowing those companies to escape taxation on a great proportion of their profits. The legislature further finds that there are at least two causes of this inequity: First, during the last several years, major oil companies have increased both the prices charged for their products and the profits realized from their enterprises by extraordinary amounts, greatly in excess of the price and profit increases of other businesses in this state, resulting in an enormous outflow of public and private capital from the state. Second, the complexity of structure of most major oil companies, together with certain tax shelter provisions currently used on a grand scale by the companies, allows major oil companies to be taxed on only a very small proportion of their profits. Because the primary objective of the income tax law is to raise essential government revenues by fairly distributing the tax burden among taxpayers, it is declared that certain changes in the income tax law, as they apply to major oil companies, must be effected in order that those companies will bear a fair and equitable share of the statewide tax burden.

Sec. 2. Minnesota Statutes 1980, Section 290.01, is amended by adding a subdivision to read:

Subd. 28. [MAJOR OIL COMPANY.] The term "major oil company" means a corporation which is engaged in all of the following activities: (1) the extraction or production of crude oil in excess of an average of 100,000 barrels of crude oil per day; (2) the refining of crude oil in excess of an average of 100,000 barrels of crude oil per day; and (3) the marketing or distribution for marketing in this state of gasoline, motor fuel, fuel oil, and similar products from the refining or manufacture of crude oil. A major oil company includes a parent corporation and the subsidiaries of a company engaging in a unitary business if the parent itself or through one or more of its subsidiaries individually or collectively comes within the definition of a major oil company and markets or distributes petroleum or petroleum products in Minnesota. In the case of a major oil company that includes a subsidiary or parent as described

*in the preceding sentence in its unitary business operation, the company shall be required to file a combined or consolidated report showing the combined net income of those companies and other information deemed necessary. The tax on those corporations shall be assessed against either of the corporations whose net income is involved in the report upon the basis of the combined entire net income and other information received in order to accurately reflect the net income earned by the corporation or corporations from business done in this state. For purposes of this subdivision, a subsidiary is a corporation in which the parent owns not less than 50 percent of its voting stock, and whose business activities include the production, refining or marketing of crude petroleum or petroleum products; and a company engaging in a unitary business is a group of two or more corporations having some degree of common ownership, each of which is engaged in related business activities.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] *(a) Except as provided in clause (b), the following deductions from gross income shall be allowed in computing net income, provided that any item which was deducted in arriving at gross income under the provisions of section 290.01, subdivision 20, shall not be again deducted under this section.*

Property taxes may not be deducted under this section if

(1) The taxes are attributable to a trade or business carried on by an individual, or

(2) The taxes are expenses for the production of income which are paid or incurred by an individual; and which are not allowed as a deduction under section 164 of the Internal Revenue Code of 1954, as amended through December 31, 1980.

*(b) No current deduction for expenses for intangible drilling and development costs, as provided under section 263(c) of the Internal Revenue Code of 1954, as amended through December 31, 1980, may be claimed by a major oil company. Any intangible drilling and development costs incurred in connection with a well may be capitalized over the life of the well and deducted as cost depletion, depreciation, or loss, as appropriate, under the Internal Revenue Code of 1954, as amended through December 31, 1980.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 290.091, is amended to read:

#### 290.091 [MINIMUM TAX ON PREFERENCE ITEMS.]

In addition to all other taxes imposed by this chapter there is hereby imposed, a tax which, in the case of a resident individual, shall be equal to 40 percent of the amount of the taxpayer's minimum tax liability for tax preference items pursuant to the provisions of sections 55 to 58 and 443(d) of the Internal Revenue Code of 1954 as amended through December 31, 1980 except that for purposes of the tax imposed by this section, capital gain as defined in section 57(a) of the Internal Revenue Code shall not include that portion of any gain occasioned by sale, transfer or the granting of a perpetual easement pursuant to any eminent domain proceeding or threat thereof as described in section 290.13, subdivision 5. This modification shall apply to the years in

which the gain or reduction in loss is actually included in federal adjusted gross income even though amounts received pursuant to the eminent domain proceedings were received in prior years. In the case of a taxpayer other than a corporation, an amount equal to one-half of the net capital gain for the taxable year shall be used as the definition of capital gain in place of the deduction determined under section 1202 of the Internal Revenue Code. In the case of a resident individual, having preference items which could not be taken to reduce income from sources outside the state pursuant to section 290.17, subdivision 1, or any other taxpayer the tax shall equal 40 percent of that federal liability, multiplied by a fraction the numerator of which is the amount of the taxpayer's preference item income allocated to this state pursuant to the provisions of sections 290.17 to 290.20, and the denominator of which is the taxpayer's total preference item income for federal purposes. *In the case of a major oil company, any amount deducted for depletion for federal tax purposes but not deductible for state tax purposes pursuant to section 290.09, subdivision 1, clause (b) shall not be considered a tax preference item.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 290.17, Subdivision 2, is amended to read:

Subd. 2. [OTHER TAXPAYERS.] In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:

(1) 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 290.25 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), *nor shall it apply to income from the operation of a farm which is subject to the provisions of clause (2)*. For the purposes of this clause, a trade or business located in Minnesota is carried on partly within and partly without this state if tangible personal property is sold by such trade or business and delivered or shipped to a purchaser located outside the state of Minnesota.

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 290.08, subdivision 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, 409 or 409A 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. 6. Minnesota Statutes 1981 Supplement, Section 290.21, Subdivision 4, is amended to read:

Subd. 4. (a) 85 percent of dividends received by a corporation during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or when the trade or business of the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such other corporation, and the dividends were paid from income arising out of business done in this state by the corporation paying such dividends; but if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the remainder shall be allowed as a deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof; the burden shall be on the taxpayer of showing that the amount of remainder claimed as a deduction has been received from income arising out of business done in this state,

(b) if the trade or business of the taxpayer consists principally of the holding of the stocks and the collection of the income and gains therefrom, dividends received by a corporation during the taxable year from another corporation, if the recipient owns 80 percent or more of all the voting stock of such other corporation, from income arising out of business done in this state by the corporation paying such dividends; but, if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the dividends shall be allowed as deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof. The burden shall be on the taxpayer of showing that the amount of dividends claimed as a deduction has been received from income arising out of business done in this state.

(c) The dividend deduction provided in this subdivision shall be allowed only with respect to dividends that are included in a corporation's Minnesota taxable net income for the taxable year.

*(d) In the case of a major oil company, no credit shall be allowed for dividends received from a foreign corporation, unless the dividends are received from a subsidiary whose income is combined with that of the parent company receiving the dividend.*

Sec. 7. [290.181] [DEDUCTION FROM INCOME OF CORPORATIONS AND BANKS.]

*For the first taxable year beginning after December 31, 1981, of each corporation and national or state bank taxable under this chapter, the sum of \$6,250 shall be deducted from its gross income prior to application of the*

*provisions of section 290.19. For taxable years beginning after December 31, 1982, the sum of \$12,500 shall be deducted from the gross income of each corporation and national or state bank prior to application of the provisions of section 290.19.*

**Sec. 8. [EFFECTIVE DATE.]**

*Sections 1 to 6 are effective for taxable years beginning after December 31, 1981.*

**ARTICLE V**

**PAYMENTS**

**Section 1.** Minnesota Statutes 1980, Section 16A.15, is amended by adding a subdivision to read:

*Subd. 4. [NOTIFICATION OF LEGISLATIVE COMMITTEES.] If the commissioner of finance determines to reduce an allotment pursuant to subdivision 1 or if he determines it is necessary to withhold any payment after the statutorily prescribed date for payment in compliance with subdivision 3, the commissioner shall notify the committees on finance and taxes and tax laws of the senate and the committees on appropriations and taxes of the house of representatives. The notice shall be made in writing not later than 15 days after the reduction in the allotment is made or the date prescribed for payment for any payment withheld. The notice shall specify (a) the amount of the reduction in the allotment and the agency and programs affected, (b) the amount of any payments withheld, and (c) any additional information the commissioner determines is appropriate.*

**Sec. 2. [DEFINITIONS.]**

*For purposes of sections 2 to 4 the following terms have the meanings given:*

*(a) "Municipality" means a county, statutory or home rule charter city, town, or other taxing district within the meaning of section 273.13, subdivision 15a, other than a school district; and*

*(b) "Commissioner" means the commissioner of revenue.*

**Sec. 3. [FULL PAYMENT OF AIDS TO MUNICIPALITIES.]**

*Subdivision 1. [PAYMENTS REQUIRED.] By February 26, 1982, the commissioner of finance shall draw warrants for the amounts appropriated to the commissioner of revenue for the following state aids, payments, reimbursements, or fund transfers to or on behalf of municipalities, to the extent that they were deferred or withheld pursuant to sections 16A.14 or 16A.15:*

*(a) Payments of local government aid to be made during November and December, 1981 pursuant to section 477A.015;*

*(b) Payments of attached machinery aids to be made during November and December, 1981 pursuant to section 273.138, subdivisions 2 and 5;*

*(c) Subject to the limits contained in Laws 1981, First Special Session, Chapter 1, Article 3, Section 3, payments to be made during November and December, 1981 pursuant to section 273.139, and section 273.13, subdivision 15a to replace revenue lost as a result of sections 273.115, 273.116, and 273.13, subdivisions 6, 7, or 14a, and*



(d) Any state aids, payments, reimbursements or fund transfers to be made during November and December, 1981 pursuant to any law other than those specified in clauses (a) to (c); less

(e) Any amount of the state aids, payments, reimbursements or fund transfers which the commissioner of finance unallots pursuant to Minnesota Statutes, Section 16A.15, Subdivision 1, prior to January 8, 1982 or to issuance of a certificate for the aid, payment, reimbursement or fund transfer pursuant to subdivision 2, whichever occurs first.

Subd. 2. [CERTIFICATION OF AMOUNT.] The commissioner shall, on or before January 8, 1982, certify to each municipality the amount of aids, payments, reimbursements or fund transfers deferred or withheld pursuant to section 16A.14 or 16A.15 and subject to subdivision 1. In connection with certifying the amount to the municipality the commissioner shall issue to and transmit to the municipality a certificate of aids to be paid by February 26, 1982. The provisions of Minnesota Statutes, Section 16A.15 shall not apply to aids, payments, reimbursements or fund transfers certified pursuant to this section.

#### Sec. 4. [AUTHORITY TO BORROW MONEY.]

Subdivision 1. [BORROWING IN ANTICIPATION OF AIDS.] The governing body of the municipality may borrow money in anticipation of the receipt of state aids, payments, reimbursements or fund transfers scheduled to be made on or before February 26, 1982, and may issue certificates of indebtedness upon passage of a resolution specifying the amount and purposes for which it deems the borrowing is necessary. The resolution shall fix the amount, date, maturity, denomination, and other terms of the certificates and shall fix the terms of the sale of the certificates.

Subd. 2. [REPAYMENT; SECURITY.] The governing body of the municipality may pledge the full faith and credit of the municipality, and the proceeds of any tax levies, future state aid receipts, or other municipal funds which may become available to repay certificates issued pursuant to this section. The governing body may provide in the resolution that it will assign a certificate received pursuant to section 3, subdivision 2, and the moneys due thereunder as collateral for repayment of the certificates of indebtedness. An assignment is effective only upon registration of the assignment with the commissioner. The commissioner shall pay any funds due under an assigned certificate to the assignee.

Subd. 3. [INTEREST RATE.] Certificates of indebtedness may be sold at a price equal to a percentage of the par value of the certificates, plus accrued interest, and bearing interest at a rate or rates negotiated by the governing body of the municipality and the purchaser or underwriter of the certificates or as determined at public sale, notwithstanding any limitation of price or interest rate contained in chapter 475 or any other law or city charter to the contrary.

#### Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective the day following final enactment.

### ARTICLE VI

#### SHORT-TERM BORROWING

Section 1. Minnesota Statutes 1981 Supplement, Section 16A.671, Sub-

division 3, is amended to read:

Subd. 3. [LIMITATIONS OF AMOUNT.] The principal amount of certificates of indebtedness to be sold and issued at any time shall not exceed the smallest of the following:

(a) An amount which, with interest thereon to maturity, added to the then outstanding amount of certificates, less the amount thereof, if any, which will be paid from the proceeds, and interest thereon to maturity, will equal the then unexpended balance of all money which will be credited to the general fund during the current biennium under existing laws, as estimated by the commissioner of finance; or

(b) ~~An amount which, with the principal amount of any outstanding certificates equals \$360,000,000; or~~

(c) The maximum current cash flow requirement.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 16A.671, Subdivision 5, is amended to read:

Subd. 5. [SALE.] Certificates of indebtedness shall be sold by the commissioner of finance upon public advertisement for competitive bids, except that:

(a) They may be sold to the state board of investment without advertisement for bids, upon terms on which, in the judgment of the board, investments of comparable maturities and security can at the time be purchased from funds under its control, *including the state bond fund and other special or dedicated funds described in clause (c) of subdivision 2 provided that interest shall be paid on these certificates at market rates notwithstanding any other provision of law to the contrary;*

(b) The commissioner may negotiate with a suitable bank or banks within or outside the state for a line of credit whereby certificates of indebtedness may be issued from time to time within an agreed period, at a fixed or variable interest rate and subject to redemption at par plus accrued interest at any time at the option of the commissioner; or

(c) The commissioner may negotiate with a firm or firms of underwriters to act as an agent in the placement of certificates of indebtedness maturing on a date four months or less from the date of issue, which may be sold to investors at a specified discount representing the interest included in the face amount payable at maturity, or at a stated interest rate on a stated principal amount, payable at maturity.

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective the day following final enactment.*

## ARTICLE VII

### VAN AND TRUCK TAXATION"

Page 9, line 13; delete "act" and insert "article"

Delete the title and insert:

"A bill for an act relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983 with certain conditions; providing for a deficiency in income maintenance appropriations;

imposing and increasing fees; imposing various cost saving measures; requiring the board of regents of the university, the state university board, the community college board and the state board for vocational education to develop plans for declining enrollment; providing that parties to administrative hearings will bear the cost of court reporters under certain circumstances; defining vans and pickup trucks; providing for the registration and taxation of certain vans as passenger automobiles; correcting references to the taxation of farm trucks and commercial zone combinations; defining urban trucks and certain collector's vehicles; including certain trucks among the motor vehicles entitled to collector license plates; authorizing attorney general to appear in civil weight enforcement actions; modifying certain procedures for appeals of workers' compensation orders; providing certain workers' compensation settlements are conclusively presumed reasonable; modifying approval by the commissioner of labor and industry of the settlement of certain workers' compensation claims; eliminating the requirement that the commissioner of veterans affairs provide certain grave markers; providing for a medical assistance drug formulary and fixed dispensing fee; modifying eligibility requirements for medical assistance; changing calculation of certain fees paid by foreign corporations; shortening time for abandonment of unclaimed property; changing requirements for reduced transit fares for certain persons; increasing the property tax mill rate of the transit taxing district; repealing review of administrative rules for business licenses; authorizing the transfer of certain funds appropriated to the higher education coordinating board for obligations under interstate tuition reciprocity agreements; removing the prohibition against allotment of education aids; providing for the reduction of education aids; changing the formula allowance; raising the basic maintenance and transportation mill rates; establishing an equalizing factor; extending dates of exemption from public sale of certificates of indebtedness; authorizing recertification of levies; delaying education aid payments; changing payment dates for school district homestead credits; providing that homestead credit applies to certain special levies; modifying the income taxation of commodity tax straddles; conforming to federal tax treatment of interest income; imposing an intermittent additional income tax; clarifying the application and computation of the taxable net income adjustment factor; eliminating the deduction for gasoline taxes; prohibiting the commissioner of revenue from adopting certain depreciation schedules by rule; requiring payment of certain income and sales taxes pending appeal; increasing the excise taxes on cigarettes; reducing the maximum local aid appropriation; reducing rent credits; requiring notice to legislature of withheld or reduced aids; requiring payments of local aids and authorizing local borrowing in anticipation of the aids; altering the method of taxing the income of certain oil companies; providing that farm income is wholly apportioned to Minnesota; providing an income deduction for corporations and banks; removing the dollar limitation on state short-term borrowing; appropriating money; amending Minnesota Statutes 1980, Sections 16A.15, by adding a subdivision; 168.011, by adding subdivisions; 168.10, Subdivision 1c; 176.421, Subdivision 3; 176.521, by adding a subdivision; 184.30, Subdivision 2; 197.23; 221.67; 268.16, Subdivision 3; 278.03; 290.01, by adding a subdivision; 290.06, by adding a subdivision; 297.02, by adding a subdivision; 297.13, Subdivision 1; 297.22, by adding a subdivision; 297.26; 297A.39, Subdivision 1; 303.07; 303.13; Subdivision 1; 303.14, Subdivisions 1, 3, and 5; 303.16, Subdivisions 2 and 4; 303.17, Subdivision 4; 303.18, Subdivision 3; 303.19, Subdivisions 2 and 3; 303.21, by adding a subdivision; 303.22; 303.23, Subdivision 1; 308.06, Subdivision 4; 308.85; 317.04, Subdivisions 2 and 3; 317.36; 317.42, Subdivision 3; 317.67, Subdivision 2; 330.01, Subdivision 1; 345.32; 345.33; 345.34; 345.37; 345.38;

345.39; 473.408, Subdivision 3; 540.152; and 543.08; Minnesota Statutes 1981 Supplement, Sections 3.9222, Subdivision 2; 15.052, Subdivision 5; 16A.128; 16A.15, Subdivision 1; 16A.671, Subdivisions 3 and 5; 124.2121, Subdivision 4; 124.2122, Subdivisions 1 and 2; 168.011, Subdivisions 7 and 10; 168.013, Subdivisions 1c, 1e, and 1i; 169.871, Subdivisions 3 and 5; 169.872, Subdivision 1; 174.24, Subdivision 3a; 174.31, Subdivisions 1 and 3; 176.131, Subdivision 10; 176.421, Subdivisions 4 and 5; 176.521, Subdivisions 1 and 2; 204B.11, Subdivision 1; 256B.02, Subdivision 8; 256B.06, Subdivision 1; 273.13, Subdivisions 15a and 15b; 290.01, Subdivision 20; 290.09, Subdivisions 1, 4, and 7; 290.091; 290.17, Subdivision 2; 290.18, Subdivision 4; 290.21, Subdivision 4; 290.53, Subdivision 1; 302A.901, Subdivision 2; 473.446, Subdivision 1; 477A.03, Subdivision 2; and Laws 1981, Chapters 356, Sections 45 and 46; 358, Articles 1, Section 50, Subdivision 3; and 7, Section 29; 359, Section 3, Subdivision 3; First Special Session, Chapter 1, Article 1, Section 5; proposing new law coded in Minnesota Statutes, Chapters 5, 35, 290, and 297A; repealing Minnesota Statutes 1980, Sections 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; and 317.67, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 3.965, Subdivision 6; 124.20, Subdivision 3; 124.781; 275.125, Subdivision 2f; and 362.453; Laws 1981, Chapter 356, Section 44; First Special Session, Chapter 2, Section 2, Subdivision 2."

Mr. Knoll moved to amend the Johnson amendment to H. F. No. 2 as follows:

Page 12, after line 4, insert:

"If the provisions in Minnesota's plan for medical assistance dealing with recipient resource standards of \$2,000, \$4,000, and \$10,000, are disapproved upon final determination on the merits after an appeal, then the resource limits currently found in Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, Clause (8), shall become in every case \$2,000 for an individual and \$4,000 for a household with two of the designated family members, plus \$200 for each dependent, without regard to nursing home residency or participation in alternative care programs."

Pages 33 to 35, delete section 31

Page 60, line 8, delete "33" and insert "32"

Renumber the sections in sequence.

Amend the title amendment as follows:

Page 104, line 38, delete "modifying"

Page 104, delete line 39

Page 105, line 44, delete "256B.06, Subdivision 1;"

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Sikorski moved to amend the Johnson amendment to H.F. No. 2 as follows:

Page 31, line 32, before "*Payment*" insert "*Whenever a generically equivalent product is available,*"

Page 31, line 33, delete "*for drugs*" and before "*cost*" insert "*actual acquisition*" and after "*drug*" insert a comma

Page 31, line 34, delete everything before "*unless*"

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Luther moved to amend the Johnson amendment to H.F. No. 2 as follows:

Page 5, delete lines 14 to 17

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Johnson moved to amend the Johnson amendment to H.F. No. 2 as follows:

Page 78, line 17, delete "*November 10*" and insert "*June 1*"

Page 78, line 27, after the period, insert "*Withholding tables shall be adjusted to reflect the full amount of the additional tax, effective July 1. The adjusted tables shall be distributed to employers by June 15. On November 10 each year the commissioner of finance shall review his determination of the fund balance and make a final certification of the amount needed to end the biennium with an unrestricted general fund balance of \$50 million. The commissioner shall revise his estimate of the necessary additional tax rate.*"

Page 91, line 29, delete "*November*"

Page 91, line 30, delete "*1, 1982*" and insert "*the day following final enactment*"

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Menning moved to amend the Johnson amendment to H.F. No. 2 as follows:

Page 78, line 28, after the period insert "*The rate of the additional tax shall not exceed ten percent.*"

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the Johnson amendment.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So the amendment 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.

### CALL OF THE SENATE

Mr. Moe, R. D. 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.

### 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.

The question recurred on H. F. No. 2.

Mr. Moe, R. D. moved to amend the Johnson amendment to H. F. No. 2, adopted by the Senate December 31, 1981, as follows:

Page 78, after line 28, insert:

*"The provisions of this subdivision shall cease to be effective for taxable years beginning after December 31, 1983."*

The motion prevailed. So the amendment to the amendment was adopted.

H. F. No. 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 40 and nays 18, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ashbach  
Bang  
Belanger  
Benson

Berg  
Brataas  
Frederick  
Frederickson

Kamrath  
Knutson  
Kronebusch  
Lindgren

Peterson, D.L.  
Pillsbury  
Ramstad  
Renneke

Rued  
Taylor

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 the adoption by the House of the following House Concurrent Resolution, herewith transmitted: House Concurrent Resolution No. 2.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted December 31, 1981

House Concurrent Resolution No. 2: A House concurrent resolution relating to adjournment of the Senate and House of Representatives.

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

(1) Upon their adjournments on Thursday, December 31, 1981, the House of Representatives may set its next day of meeting for Monday, January 11, 1982, at 2:00 p.m. and the Senate may set its next day of meeting for Monday, January 11, 1982, at 2:00 p.m.

(2) By adoption of this resolution, each house consents to adjournment of the other body for more than three days.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution 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.

Without objection, the Senate reverted to the Order of Business of Messages From the House and First Reading of House Bills.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 1.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted December 31, 1981

The following bill was read the first time.

H. F. No. 1: A bill for an act relating to the financing of government in this state; requiring notification of legislative committees of unallotments and payment deferrals; permitting homestead credit reimbursement of certain special levies in excess of 108 percent and permitting recertification of the levies; clarifying the application of the taxable net income adjustment factor to fiscal year taxpayers and its computation for 1981; directing the commissioner of finance to pay by February 26, 1982, certain state aids and payments to local government for calendar year 1981; granting local governments temporary borrowing authority; permitting private sales of school district tax and aid anticipation certificates through June 30, 1983; repealing limitations on the amount of school district tax and aid anticipation certificates; defining vans and pickup trucks; providing for the registration and taxation of certain vans and passenger automobiles; correcting references to the taxation of farm trucks and commercial zone combinations; defining urban trucks; and certain collector's vehicles entitled to collector license plates; amending Minnesota Statutes 1980, Sections 16A.15, by adding a subdivision; 168.011, by adding subdivisions; 168.10, Subdivision 1c; and Minnesota Statutes 1981 Supplement, Sections 168.011, Subdivisions 7 and 10; 168.013, Subdivisions 1c, 1e, and 1i; 273.13, Subdivision 15b; 290.18, Subdivision 4; and Laws 1981, Chapter 358, Article 7, Section 29; and First Special Session Laws 1981, Chapter 1, Article 1, Section 5; repealing Minnesota Statutes 1981 Supplement, Section 124.781.

### 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. Peterson, C. C. moved to amend H. F. No. 1, as amended by the House December 31, 1981, as follows:

Page 5, after line 17, insert:

*“(f) The aid to be paid for calendar year 1982, pursuant to section 477A.015, to any municipality that has received a payment pursuant to this subdivision, shall be withheld in an amount equal to the amount paid pursuant to this subdivision.”*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 42, as follows:

Those who voted in the affirmative were:

Bertram	Kronebusch	Peterson, C. C.	Setzepfandt	Vega
Davis	Menning	Peterson, R. W.	Solon	Willet
Frank	Pehler			

Those who voted in the negative were:



Ashbach	Davies	Knutson	Penny	Sikorski
Bang	Dicklich	Kroening	Peterson, D.L.	Stokowski
Belanger	Dieterich	Langseth	Petty	Stumpf
Benson	Engler	Lantry	Pillsbury	Taylor
Berg	Frederick	Lindgren	Purfeerst	Tennesen
Berglin	Frederickson	Luther	Ramstad	Ulland
Bernhagen	Humphrey	Merriam	Renneke	
Brataas	Johnson	Moe, R. D.	Rued	
Dahl	Knoll	Nelson	Sieloff	

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 50 and nays 6, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Knoll	Nelson	Schmitz
Bang	Davis	Knutson	Pehler	Setzepfandt
Belanger	Dicklich	Kroening	Penny	Sieloff
Benson	Dieterich	Kronebusch	Peterson, D.L.	Sikorski
Berg	Engler	Langseth	Peterson, R.W.	Solon
Berglin	Frederick	Lantry	Petty	Stokowski
Bernhagen	Frederickson	Lindgren	Pillsbury	Stumpf
Bertram	Humphrey	Luther	Ramstad	Taylor
Brataas	Johnson	Merriam	Renneke	Tennesen
Dahl	Kamrath	Moe, R. D.	Rued	Ulland

Those who voted in the negative were:

Frank	Peterson, C.C.	Purfeerst	Vega	Willet
Menning				

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 House File No. 2.

H.F. No. 2: A bill for an act relating to motor vehicles; defining vans and pickup trucks; providing for the registration and taxation of certain vans as passenger automobiles; correcting references to the taxation of farm trucks and commercial zone combinations; defining urban trucks; and certain collector's vehicles; including certain trucks among the motor vehicles entitled to collector license plates; amending Minnesota Statutes 1980, Sections 168.011, by adding subdivisions; 168.10, Subdivision 1c; and Minnesota Statutes 1981 Supplement, Sections 168.011, Subdivisions 7 and 10; and 168.013, Subdivisions 1c, 1e and 1i.

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

Sieben, M.; Anderson, I.; McEachern; Carlson, D. and Laidig 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 December 31, 1981

Mr. Moe, R.D. 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.

### 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. 2: Messrs. Johnson; Moe, R.D.; Willet; Dieterich and Sieloff.

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 2:00 p.m., Monday, January 11, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD SPECIAL SESSION

#### FOURTEENTH DAY

St. Paul, Minnesota, Monday, January 11, 1982

The Senate met at 2:00 p.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, Rev. M.E. Sandness.

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.

#### EXECUTIVE AND OFFICIAL COMMUNICATIONS

January 4, 1982

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 Third 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.	Third Special Session Laws Chapter No.	Date Approved 1981 December 31	Date Filed 1982 January 4
	1	1		

Sincerely,

Joan Anderson Growe  
Secretary of State

### 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.

Mr. Moe, R. D. moved that H.F. No. 4 be taken from the table. The motion prevailed.

### SUSPENSION OF RULES

Mr. Moe, R.D. moved that the rules of the Senate be so far suspended that H. F. No. 4 be made a Special Order for immediate consideration. The motion prevailed.

### SPECIAL ORDER

H.F. No. 4: A bill for an act relating to public welfare; altering certain provisions of the program of aid to families with dependent children; redefining the term "dependent child"; expanding the definition of persons ineligible; eliminating eligibility of the unborn; requiring rules to define "special needs" for eligible pregnant women; requiring recoupment of overpayments; requiring registration of certain dependent recipients for employment services, training, and employment; restricting the earned income disregard to four months; restricting work expense disregards; specifying the amount of step-parent income to be considered available in determining need; providing for voluntary third party payments; eliminating eligibility for recipients participating in a strike; eliminating a prepaid funeral contract and reverse mortgage loan guarantees as disregarded resources; modifying the service fee for child support collection services; modifying the resource limits for recipients of aid to families with dependent children; extending medical assistance coverage to certain pregnant women; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14; 256.73, Subdivisions 3a, 5, 6, and by adding a subdivision; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.81; 256.935, Subdivision 2; 256.99; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; 256B.06, Subdivision 1; and 518.551, Subdivision 7; proposing new law coded in Minnesota Statutes,

Chapter 256; repealing Minnesota Statutes 1981 Supplement, Section 257.021.

Mr. Sikorski moved to amend H.F. No. 4 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 256.12, Subdivision 14, is amended to read:

Subd. 14. [DEPENDENT CHILD.] "Dependent child," as used in sections 256.72 to 256.87 and 256.872, means a child under the age of 18 years, or a child under the age of 19 years who is regularly attending as a full time student at, and is expected to complete before reaching age 19, a high school, college, or university, or regularly attending as a full time student in or a secondary level course of vocational or technical training designed to fit him for gainful employment, who is found to be deprived of parental support or care by reason of the death, continued absence from the home, physical or mental incapacity of a parent, or who is a child of an unemployed father parent as that term is defined by the commissioner of public welfare, such definition to be consistent with, and not to exceed minimum standards established by the congress of the United States and the secretary of health, education and welfare human services, and whose relatives, liable under the law for his support are not able to provide adequate care and support of such the child, and who is living with his father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew, or niece in a place of residence maintained by one or more of such these relatives as his or their home.

The term "dependent child" shall also mean means a child who has been removed from the home of a relative after a judicial determination that continuance in the home would be contrary to the welfare and best interests of the child and whose care and placement in a foster home or a private licensed child care institution is, in accordance with the rules and regulations of the commissioner, the responsibility of the state or county agency under sections 256.72 to 256.87. This child is eligible for benefits only through the foster care and adoption assistance program contained in Title IV-E of the Social Security Act, 42 U.S.C. 670 to 676, and is not entitled to benefits under sections 256.72 to 256.87.

Sec. 2. Minnesota Statutes 1980, Section 256.12, is amended by adding a subdivision to read:

Subd. 20. [ASSISTANCE UNIT.] "Assistance unit" means the group of individuals whose needs or income, or both, are taken into account in determining eligibility for or the amount of a grant of assistance under sections 256.72 to 256.87.

Sec. 3. Minnesota Statutes 1980, Section 256.12, is amended by adding a subdivision to read:

Subd. 21. [CARETAKER RELATIVE.] "Caretaker relative" means a relative specified by rule to be an eligible relative and who exercises responsibility for the care and control of the dependent child.

Sec. 4. Minnesota Statutes 1980, Section 256.12, is amended by adding a subdivision to read:

Subd. 22. [PRINCIPAL EARNER.] *"Principal earner" means, in a home where both parents of the dependent child live, the parent who earned the greater amount of income in the 24 month period immediately preceding the month of application.*

Sec. 5. Minnesota Statutes 1981 Supplement, 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 the father, mother, child, children, or any combination thereof, of property as follows shall be is 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 child, relative or other member of the assistance unit~~ 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 or 80 contiguous acres in unplatted land; or~~

(2) Personal property of a ~~reasonable market an equity~~ value in excess of \$400 ~~\$1,000 for a one child recipient or \$600 for more than one child recipient~~ the entire assistance unit, 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 ~~motor vehicle of an equity value not exceeding \$1,500,~~ clothing and necessary household furniture and equipment ~~and other basic maintenance items essential for daily living,~~ 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 promulgated by and standards established by 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, 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 family's needs 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. 6. Minnesota Statutes 1980, Section 256.73, Subdivision 3a, is amended to read:

Subd. 3a. [PERSONS INELIGIBLE.] No assistance shall be given under sections 256.72 to 256.87:

(1) On behalf of any person who is receiving supplemental security income under title XVI of the social security act unless permitted by federal regulations;

(2) For any month in which the assistance unit's gross income, without

*application of deductions or disregards, exceeds 150 percent of the standard of need for a family of the same size and composition. If a stepparent's income is taken into account in determining need, the disregards specified in section 12 shall be applied to determine income available to the assistance unit before calculating the unit's gross income for purposes of this paragraph;*

*(3) To any assistance unit for any month in which any caretaker relative with whom the child is living is, on the last day of that month, participating in a strike;*

*(4) On behalf of any other individual in the assistance unit, nor shall the individual's needs be taken into account, for any month in which, on the last day of the month, the individual is participating in a strike;*

*(5) To an assistance unit if its eligibility is based on a parent's unemployment and the parent who is the principal earner, without good cause, fails or refuses to participate in the work incentive program under section 256.736, to accept employment, or to register with a public employment office, unless the principal earner is exempt from these work requirements.*

Sec. 7. Minnesota Statutes 1980, Section 256.73, Subdivision 5, is amended to read:

Subd. 5. [ASSISTANCE FOR PREGNANT WOMEN.] For the purposes of sections 256.72 to 256.87, ~~dependent children shall include the unborn assistance shall be provided to a pregnant woman with no children during the final three months of pregnancy and, insofar as possible, the provisions applicable to dependent children shall also be applicable to the unborn during the final three months of pregnancy if the woman would be eligible for assistance if the child were born and living with her as a dependent child. Payment for special needs occasioned by or resulting from pregnancy shall be provided as needed to pregnant women eligible under the previous sentence or otherwise eligible under sections 256.72 to 256.87, according to rules promulgated by the commissioner.~~ The commissioner of public welfare shall promulgate, pursuant to the administrative procedures act, ~~regulations~~ rules to implement this subdivision.

Sec. 8. Minnesota Statutes 1980, Section 256.73, Subdivision 6, is amended to read:

Subd. 6. [REPORTS BY RECIPIENT.] Each recipient shall complete reports as requested by the local or state agency. All ~~net earned or unearned~~ income not specifically disregarded by the social security act, the code of federal regulations, or state law, ~~and rules and regulations,~~ shall be is income applicable to the budgetary needs of the family. If any amount of aid to families with dependent children assistance is paid to a recipient ~~thereof~~ in excess of the payment due ~~it shall be recoverable by,~~ the local agency shall recover the overpayment in accordance with Public Law No. 97-35, Section 2318, 42 U.S.C. 602, as amended. ~~If the agency notifies the recipient in writing of an overpayment due solely to local agency error within three months after the overpayment, The local agency may commence recovery of the overpayment during the year after the notification is received by the recipient. The written notice shall inform the recipient shall give the recipient written notice of any overpayment and of the agency's its intention to recover the overpayment. If the recipient does not pay the amount of the overpayment in part or fully to the~~

local agency, the agency may recover the overpayment by reducing the amount of aid as follows:

(a) If the overpayment was caused by the recipient's wilful withholding of required information or wilful false statement, the aid amount may be reduced only to the extent that the reduced aid amount plus the assistance unit's liquid assets and gross income, before applying any disregards, equals not less than 90 percent of the amount payable to an assistance unit of the same composition with no income;

(b) If the overpayment was due solely to agency error, the aid amount may be reduced only to the extent that the reduced aid amount plus the assistance unit's liquid assets and income after deducting actual work expenses equals not less than 99 percent of the amount payable to an assistance unit of the same composition with no income;

(c) In all other cases, the aid amount may be reduced only to the extent that the reduced aid amount plus the assistance unit's liquid assets and income after deducting actual work expenses equals not less than 96 percent of the amount payable to an assistance unit of the same composition with no income.

Under clauses (a), (b), and (c) the amounts and standard of need shall be based on income, resources and circumstances in the month for which aid is being reduced. The recipient may appeal the agency's determination that an overpayment has occurred in accordance with section 256.045. If the amount of assistance paid to a recipient is less than the amount due, the agency shall pay the recipient a corrective payment and disregard that payment when determining the family's income and resources in the month when the payment is made and the following month. In cases where both an overpayment and an underpayment have occurred, one shall be offset against the other to correct the payment.

Sec. 9. Minnesota Statutes 1980, Section 256.736, Subdivision 3, is amended to read:

Subd. 3. [OPERATION OF PROGRAM.] To determine who shall be designated as an appropriate individual for certification to the commissioner of economic security, the commissioner of public welfare shall provide standards for county welfare agencies and human services boards consistent with the standards promulgated by the secretary of health, education, and welfare human services. County welfare agencies shall certify appropriate individuals to the commissioner of economic security and shall require that every individual, as a condition of receiving aid to families with dependent children, register for employment services, training, and employment, unless such individual is:

(1) a child who is under age 16 or, a child age 16 or 17 who is attending elementary or secondary school or a secondary level vocational or technical school full time, or a full-time student age 18 who is attending a secondary school or a secondary level vocational or technical program and who is expected to complete the school or program before reaching age 19;

(2) a person who is ill, incapacitated or of advanced age;

(3) a person so remote from a work incentive project that his effective participation is precluded;

(4) a person whose presence in the home is required because of illness or



incapacity of another member of the household;

(5) a ~~mother parent~~ or other caretaker relative of a child under the age of six who ~~is caring personally provides full-time care~~ for the child; ~~or~~

(6) ~~the mother or other female caretaker of a child if the father or another adult male relative is in the home and not excluded by clause (1), (2), (3), or (4), unless he has failed to register as required by this subdivision or has been found by the commissioner of economic security to have refused without good cause to participate under a work incentive program or accept employment a parent or other caretaker if another adult relative in the house is registered and has not, without good cause, failed or refused to participate or accept employment; or~~

(7) ~~a parent who is not the principal earner if the parent who is the principal earner is not exempt under clauses (1) to (6).~~

Any individual referred to in clause (5) shall be advised of ~~her~~ the option to register for employment services, training, and employment if ~~she~~ the individual so desires, and shall be informed of the child care services, if any, which will be available to ~~her~~ in the event ~~she~~ should decide if the individual decides to register.

If, after planning with a recipient, a decision is made that ~~he~~ the recipient must register for employment services, training, and employment, the county welfare department shall give notice in writing to the individual recipient stating that ~~he or she~~ must register with the commissioner of economic security for participation in a work incentive program and that ~~he~~ the recipient has a right to a fair hearing under section 256.045 with respect to the appropriateness of ~~his~~ the registration.

Sec. 10. Minnesota Statutes 1980, Section 256.736, Subdivision 4, is amended to read:

Subd. 4. [CONDITIONS OF CERTIFICATION.] The commissioner of public welfare shall:

(1) Arrange for or provide any relative or child certified to the commissioner of economic security pursuant to this section with child-care services and other necessary family services;

(2) Pay ten percent of the cost of programs of training and employment established by the commissioner of economic security for persons certified hereunder;

(3) Provide that in determining a recipient's needs any monthly incentive training payment made to the recipient by the department of economic security is disregarded and the additional expenses attributable to his participation in a program are taken into account in grant determination; *and*

(4) Provide that when it has been certified by the commissioner of economic security, certification to be binding upon the commissioner of public welfare, that a relative or child certified under the work incentive program to the commissioner of economic security has been found by the commissioner, after a hearing conducted in the manner prescribed by section 268.10, subdivision 3, with the right of review in accordance with the provisions of section 268.10, subdivision 8, to have refused without good cause to participate under a work

incentive program or to have refused without good cause to accept a bona fide offer of public or other employment, the county welfare departments shall provide that:

(a) If the relative makes the refusal, the relative's needs shall not be taken into account in making the grant determination, and aid for any dependent child in the family will be made in the form of vendor payments.

(b) Aid with respect to a dependent child will be denied if a child who makes the refusal is the only child receiving aid in the family.

(c) If there is more than one child receiving aid in the family, aid for the child who makes the refusal will be denied and his needs will not be taken into account in making the grant determination; and

(d) Notwithstanding the other provisions of this subdivision, the county welfare department shall, for a period of 60 days after notification of the commissioner of economic security determination of refusal without cause to participate in a program of training or employment, make vendor payments on behalf of the relative specified or continue aid in the case of a child specified; if during the 60 day period the child or relative accepts counseling or other services which the county welfare department shall make available for the purpose of assisting the child or relative to participate in a program in accordance with the determination of the commissioner of economic security. If the assistance unit's eligibility is based on the principal earner's unemployment and the principal earner fails or refuses without good cause to participate or to accept employment, the entire assistance unit is ineligible for benefits under sections 256.72 to 256.87.

Sec. 11. Minnesota Statutes 1980, Section 256.74, Subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] The amount of assistance which shall be granted to or on behalf of any dependent child and mother or other needy eligible relative caring for such the dependent child shall be determined by the county agency with due regard to the resources and necessary expenditures of the family and the conditions existing in each case and in accordance with the rules and regulations made promulgated by the state agency commissioner and shall be sufficient, when added to all other income and support available to the child, to provide such the child with a reasonable subsistence compatible with decency and health. *The amount shall be based on the method of budgeting required in Public Law No. 97-35, Section 2315, 42 U.S.C. 602, as amended and federal regulations at 45 CFR Section 233.* In making its determination the county agency shall ~~exclude~~ disregard the following from family income:

(1) All of the earned income of each dependent child receiving aid to families with dependent children who is a full-time student or part-time student, and not a full-time employee, attending a school, college, or university, or a course of vocational or technical training designed to fit him for gainful employment;

(2) All educational grants and loans awarded pursuant to a federal law when public assistance was considered in making the award and the award was made on the basis of financial need; and that part of any other educational grant or loan which is used for educational purposes, such as tuition, fees, equipment, transportation and child care expenses necessary for school attendance; and

(3) *The first \$75 of each individual's earned income. In the case of an*

*individual not engaged in full-time employment or not employed throughout the month the commissioner shall prescribe by rule a lesser amount to be disregarded. For self-employed persons, the expenses directly related to producing goods and services and without which the goods and services could not be produced shall be disregarded pursuant to rules promulgated by the commissioner;*

*(4) An amount equal to the actual expenditures but not to exceed \$160 for the care of each dependent child or incapacitated individual living in the same home and receiving aid. In the case of a person not engaged in full-time employment or not employed throughout the month, the commissioner shall prescribe by rule a lesser amount to be disregarded; and*

*(5) The first \$30 Thirty dollars plus one-third of the remainder of the combined monthly earnings of any dependent child not included under clause (1), and any adult who is a recipient of aid for families with dependent children each individual's earned income not already disregarded for individuals found otherwise eligible to receive aid or who have received aid in one of the four months before the month of application. With respect to any month, the county welfare agency shall not disregard under this clause (2) any earned income of any person who has:*

*(a) Reduced his earned income without good cause within 30 days preceding any month in which an assistance payment is made; or*

*(b) Refused without good cause to accept an offer of suitable employment; or*

*(c) Left employment or reduced his earnings without good cause and applied for assistance so that he might later return to employment with the advantage of the income disregard; or*

*(d) Failed without good cause to make a timely report of earned income in accordance with rules promulgated by the commissioner of public welfare.*

Persons who are already employed and who apply for assistance shall have their needs computed with full account taken of their earned and other income. If earned and other income of the family is less than need, as determined on the basis of public assistance standards, the county agency shall determine the amount of the grant by applying the disregard of income provisions. The county agency shall not disregard earned income for persons in a family if the total monthly earned and other income exceeds their needs, unless for any one of the four preceding months their needs were met in whole or in part by a grant payment. If an individual without good cause leaves employment or reduces his earnings and applies for assistance so that he might later return to employment with advantages of income disregard, he shall not have the benefit of the disregard of income provisions.

*The disregard of \$30 and one-third of the remainder of earned income described in clause (5) shall be applied to the individual's income for a period not to exceed four consecutive months. Any month in which the individual loses this disregard because of the provisions of clause (5)(a) to (5)(d) shall be considered as one of the four months. To again qualify for this earned income disregard, the individual must not be a recipient of aid for a period of 12 consecutive months. If an individual becomes ineligible for aid because this earned income disregard has been applied to income for four consecutive*

months and will no longer be applied to income, the local agency shall inform the individual of the medical assistance program, its standards of eligibility, and the circumstances under which the individual would be eligible for medical assistance.

Sec. 12. Minnesota Statutes 1980, Section 256.74, is amended by adding a subdivision to read:

*Subd. 1a. [STEPPARENT'S INCOME.] In determining income available, the county agency shall take into account the remaining income of the dependent child's stepparent who lives in the same household after disregarding:*

*(1) The first \$75 of the stepparent's gross earned income. The commissioner shall prescribe by rule lesser amounts to be disregarded for stepparents who are not engaged in full-time employment or not employed throughout the month;*

*(2) An amount for support of the stepparent and any other individuals whom the stepparent claims as dependents for tax purposes and who live in the same household but whose needs are not considered in determining eligibility for assistance under sections 256.72 to 256.87. The amount equals the standard of need for a family of the same composition as the stepparent and these other individuals;*

*(3) Amounts the stepparent actually paid to individuals not living in the same household but whom the stepparent claims as dependents for tax purposes; and*

*(4) Alimony or child support, or both, paid by the stepparent for individuals not living in the same household.*

Sec. 13. [256.851] [RULES.]

*The commissioner of public welfare shall promulgate temporary and permanent rules necessary to implement sections 1 to 20.*

Sec. 14. Minnesota Statutes 1981 Supplement, Section 256.872, Subdivision 1, is amended to read:

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 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 income, regardless of source of the person obligated to pay the support or maintenance. *If the public agency responsible for child support enforcement determines that the obligor's arrearages have accumulated for more than one month, and if the agency is not pursuing another appropriate remedy, the agency shall move the district or county court for an order for withholding under this section or shall document a reason or reasons why withholding would not result in payment being made.* "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.

Sec. 15. Minnesota Statutes 1981 Supplement, Section 256.872, is

amended by adding a subdivision to read:

*Subd. 4. [PENALTY FOR NONCOMPLIANCE.] If the public agency responsible for child support enforcement fails to make reasonable efforts to comply with this section and sections 518.54 to 518.66 or to show why it cannot comply within four months after receiving notice that the commissioner of public welfare has determined that the agency is not in substantial compliance with this section and sections 518.54 to 518.66, the commissioner may withhold ten percent of the state's share of the difference between the total estimated cost and the federal funds available for payment of aid under sections 256.72 to 256.87 to all persons for which the county is the county of financial responsibility and the county shall pay the ten percent in addition to its usual share of payments, until the public agency complies.*

Sec. 16. Minnesota Statutes 1980, Section 256.99, is amended to read:

256.99 [REVERSE MORTGAGE PROCEEDS DISREGARDED.]

All reverse mortgage loan proceeds received pursuant to section 47.58, including interest or earnings thereon, shall be disregarded and shall not be considered available to the borrower for purposes of determining initial or continuing eligibility for, or amount of, medical assistance or ~~any other public assistance program~~, *Minnesota supplemental assistance, general assistance, general assistance medical care, or a federal or state low interest loan or grant.* This section applies regardless of the time elapsed since the loan was made or the disposition of the proceeds.

Sec. 17. Minnesota Statutes 1981 Supplement, 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, *or a woman who is pregnant, as medically verified, and who would be eligible for public assistance if the child had been born and living with the woman,* 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** 80 contiguous acres in unplatted land. Occupancy or exemption shall be determined as provided in chapter 510 and applicable law, including continuing exemption by filing notice under section 510.07. 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. 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 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. 18. Minnesota Statutes 1980, Section 256B.07, is amended to read:

**256B.07 [EXCEPTIONS IN DETERMINING RESOURCES.]**

A local agency may, within the scope of regulations set by the commissioner of public welfare, waive the requirement of liquidation of excess assets when the liquidation would cause undue hardship. Household goods and furniture in use in the home, wearing apparel, insurance policies with cash surrender value not in excess of \$1,500 per insured person, personal property used as a regular abode by the applicant or recipient, *a prepaid funeral contract not in excess of \$750 per person plus accrued interest of not more than \$200*, and a lot in a burial plot shall not be considered as resources available to meet medical needs.

Sec. 19. Minnesota Statutes 1981 Supplement, Section 518.551, Subdivision 7, is amended to read:

Subd. 7. [SERVICE FEE.] When the public agency responsible for child support enforcement provides child support collection services either to a public assistance recipient or to a party who does not receive public assistance, the public agency may upon written notice to the obligor charge a monthly collection fee equivalent to the full monthly cost to the county of providing collection services, in addition to the amount of the child support which was ordered by the court. The fee shall be deposited in the county general fund. The service fee assessed is limited to ten percent of the monthly court ordered child support and shall not be assessed to obligors who are current in payment of the monthly court ordered child support. No fee shall be imposed on the party who requests child support collection services.

*However, the limitations of this subdivision on the assessment of fees shall not apply to the extent inconsistent with the requirements of federal law for receiving funds for the programs under Title IV-A and Title IV-D of the Social Security Act, 42 U.S.C. 601 to 613 and 42 U.S.C. 651 to 662.*

Sec. 20. [REPEALER.]

*Minnesota Statutes 1980, Section 256.935, Subdivision 2 and Minnesota Statutes 1981 Supplement, Section 257.021, are repealed.*

Sec. 21. [EFFECTIVE DATE.]

*Sections 1 to 20 are effective on the first day of the first month immediately*

*following adjournment of the third special session of the legislature commenced in 1981."*

Amend the title as follows:

Delete lines 2 to 32 and insert:

"relating to public welfare; changing certain provisions governing aid to families with dependent children as authorized or required by federal law; changing or adding provisions governing definitions, eligibility standards, payment levels and amounts, income disregards, budgeting methods, child support or maintenance orders; eliminating a general stepparents' support duty and coverage of the unborn; specifying medical assistance for certain pregnant women; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14, and by adding subdivisions; 256.73, Subdivisions 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.99; and 256B.07; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding a subdivision; 256B.06, Subdivision 1; and 518.551, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 256; repealing Minnesota Statutes 1980, Section 256.935, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 257.021."

The motion prevailed. So the amendment was adopted.

Mr. Ulland moved to amend the Sikorski amendment to H.F. No. 4, adopted by the Senate January 11, 1982, as follows:

Page 2, line 35, delete "80" and insert "10"

Page 15, line 9, delete "80" and insert "10"

The question was taken on the adoption of the amendment to the amendment.

The roll was called, and there were yeas 23 and nays 41, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Kronebusch	Pillsbury	Taylor
Bang	Frederickson	Lessard	Ramstad	Ulland
Belanger	Kamrath	Lindgren	Renneke	Waldorf
Benson	Keefe	Menning	Rued	
Brataas	Knutson	Peterson, D.L.	Schmitz	

Those who voted in the negative were:

Berglin	Engler	Lantry	Peterson, C.C.	Stokowski
Bernhagen	Frank	Luther	Peterson, R.W.	Stumpf
Bertram	Hanson	Merriam	Petty	Tennessen
Chmielewski	Hughes	Moe, D. M.	Purfeerst	Vega
Dahl	Humphrey	Moe, R. D.	Setzepfandt	Willet
Davies	Johnson	Nelson	Sikorski	
Davis	Knoll	Olhoft	Solon	
Dicklich	Kroening	Pehler	Spear	
Dieterich	Langseth	Penny	Stem	

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

H.F. No. 4 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 1, as follows:

Those who voted in the affirmative were:

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

Mr. Knoll voted in the negative.

So the bill, as amended, 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. 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 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. 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 January 11, 1982

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 2

H.F. No. 2: A bill for an act relating to motor vehicles; defining vans and pickup trucks; providing for the registration and taxation of certain vans as passenger automobiles; correcting references to the taxation of farm trucks and commercial zone combinations; defining urban trucks; and certain collector's vehicles; including certain trucks among the motor vehicles entitled to collector

license plates; amending Minnesota Statutes 1980, Sections 168.011, by adding subdivisions; 168.10, Subdivision 1c; and Minnesota Statutes 1981 Supplement, Sections 168.011, Subdivisions 7 and 10; and 168.013, Subdivisions 1c, 1e and li.

January 11, 1982

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 Senate recede from its amendment and that H.F. No. 2 be further amended as follows:

Delete everything after the enacting clause and insert:

“ARTICLE I

STATE AGENCY APPROPRIATION REDUCTIONS

Section 1. [APPROPRIATION REDUCTIONS: SUMMARY.]

The sums set forth in the columns designated “APPROPRIATION REDUCTIONS” are reduced from the various general fund appropriations to the specified agencies. The figures “1982” or “1983” whenever used in this article, mean that the listed appropriation reductions are from the appropriations for the years ending June 30, 1982 or June 30, 1983, respectively.

SUMMARY OF REDUCTIONS BY FUNCTION  
(Including transfers to other funds)

	1982	1983	TOTAL
STATE DEPARTMENTS . . . . .	(\$21,175,100)	(\$41,638,800)	(\$62,813,900)
TRANSPORTATION AND OTHER AGENCIES . . . . .	(3,565,500)	(6,598,500)	(10,164,000)
EDUCATION . . . . .	(13,576,900)	(25,430,000)	(39,006,900)
WELFARE, CORRECTIONS, HEALTH . . . . .	(10,011,400)	(17,204,500)	(27,215,900)
TOTAL . . . . .	(\$48,328,900)	(\$90,871,800)	(\$139,200,700)

APPROPRIATION REDUCTIONS

1982                      1983

Sec. 2. [APPROPRIATION REDUCTIONS.]

Subdivision 1. [STATE DEPARTMENTS.]

The general fund appropriations in Laws 1981, Chapters 306, 346 and 356 as amended by Laws 1981, First Special Session, Chapter 4, Article 4, are reduced by the listed amounts:

(a) Legislature . . . . . (1,435,500) (1,453,200)

The amounts that are reduced from each appropriation are as follows:

(1) House of Representatives

1982	1983
(1,014,000)	(300,000)

The reduction for 1983 shall apply only to the unencumbered balance on June 30, 1983.

(2) Senate

(-0-) (200,000)

The reduction for 1983 shall apply only to the unencumbered balance on June 30, 1983.

(3) Legislative Coordinating  
Commission - General Support

(25,000) (900)

(4) LCC - Workers Compensation  
Study

(3,000) (-0-)

(5) LCC - Transit Study

(20,000) (-0-)

(6) Legislative Reference  
Library

(42,500) (48,800)

(7) Revisor of Statutes

(84,300) (450,700)

(8) Legislative Committee on  
Science and Technology

(24,700) (125,300)

The Legislative Committee on Science and Technology is abolished, effective March 1, 1982. Committee staff should be given consideration for employment by other legislative agencies.

(9) Advisory Council on the  
Economic Status of Women

(7,800) (17,700)

(10) Great Lakes Commission

(4,400) (4,900)

(11) Legislative Commission on  
Pensions and Retirement

(9,500) (20,500)

(12) Legislative Commission on  
Employee Relations

(14,100) (10,400)

(13) Legislative Commission to  
Review Administrative Rules

(9,900) (11,200)

(14) Legislative Audit Commission

(1,800) (1,800)

(15) Legislative Auditor

(174,500) (261,000)

(b) Supreme Court ..... (-0-) (-0-)

The appropriation contained in Laws 1981, Chapter 356, Section 3 for judicial district computer hardware costs is transferred to the fiscal year 1983 appropriation made in Laws 1981, Chapter 356, Section 4 for district and county judge travel costs.

(c) Board on Judicial Standards ..... (-0-) (3,000)

(d) Tax Court of Appeals ..... (10,000) (10,000)

(e) Contingent Accounts -  
Unemployment Compensation ..... (350,000) (-0-)

(f) Governor ..... (175,200) (218,700)

(g) Secretary of State ..... (12,300) (20,000)

(h) State Auditor ..... (3,000) (3,000)

The commissioner of administration in cooperation with the commissioner of finance, the commissioner of transportation, and the state auditor is directed to review whether duplication of effort occurs between the fiscal studies unit of the department of transportation relating to local government financial reporting and the governmental information division within the office of the state auditor. By February 15, 1982, the commissioner of administration shall report to the chairmen of the house appropriations and senate finance committees what state and local cost savings would accrue with the merger of these activities within the office of the auditor.

(i) State Treasurer ..... (25,000) (25,000)

The insurance division shall assist and cooperate with the state treasurer in examining for unclaimed property. The state treasurer may act with the authority of the insurance division in examining for unclaimed property.

(j) Attorney General ..... (385,700) (925,600)

The appropriation from the trunk highway fund in Laws 1981, Chapter 357, Section 3, for Administration and Related Services is increased by \$250,000 in the first year and \$250,000 in the second year for the purchase of legal services from the attorney general.

The sum of \$30,000 the first year and \$130,000 the second year is appropriated from the highway user tax distribution fund to the commis-

sioner of public safety for the purchase of legal services from the attorney general relating to civil weight law enforcement.

The sum of \$315,000 the first year and \$345,000 the second year is appropriated from the general fund to the commissioner of public welfare to be used to purchase legal services from the attorney general for income maintenance programs. The commissioner of public welfare shall seek federal reimbursement for these legal costs, to be credited to the general fund.

(k) Administrative Hearings ..... (66,600) (161,000)

The appropriation reductions in this item are made after the appropriation transfers authorized by Laws 1981, Chapter 346, Section 144.

The office of administrative hearings shall station a compensation judge and necessary support staff in an office in Duluth during the biennium ending June 30, 1983.

The chief hearing examiner shall discontinue the use of court reporters who are state employees as soon as existing labor agreements allow. While there continue to be court reporters employed in the office of hearing examiners, the reporters shall be used primarily to provide court reporter services.

After September 30, 1982, all receipts from transcript fees shall be deposited in the general fund.

(l) Administration ..... (1,778,400) (1,990,200)

The reduction for the state band shall not be more than 50 percent in the second year.

(m) Capitol Area Architectural and Planning Board ..... (5,000) (5,000)

(n) Finance ..... (602,700) (623,800)

The positions of debt management director and research scientist within the economic analysis section shall not be held vacant to make this reduction.

(o) Employee Relations ..... (325,800) (332,900)

(p) Revenue ..... (530,700) (726,900)

Walk-in taxpayer assistance shall not be reduced by more than 50 percent.

(q) Agriculture ..... (2,327,200) (3,266,300)

No more than \$124,300 in 1982 and \$211,300 in 1983 shall be reduced from the family farm

security program.

(r) Animal Health, Board of .....	(158,800)	(163,000)
(s) Natural Resources .....	(3,076,900)	(3,617,100)

The commissioner of natural resources shall continue to operate the state nurseries during the biennium ending June 30, 1983 so that seedlings are produced and utilized for reforestation.

Money appropriated from the receipts for watercraft licenses shall not be reduced and shall be expended only as authorized by Minnesota Statutes, Section 361.03.

Of the moneys appropriated to the department of natural resources, \$75,000 shall be used for a timber weight study.

(t) Zoological Board .....	(432,600)	(566,200)
(u) Water Resources Board .....	(-0-)	(28,000)
(v) Pollution Control Agency .....	(790,400)	(747,300)
(w) Waste Management Board .....	(147,000)	(195,000)

General fund positions of the Waste Management Board may be converted to bond fund positions when their duties are limited to duties that are authorized to be paid for with bond proceeds:

(x) Energy, Planning and Development .....	(896,700)	(771,000)
(y) Natural Resources Acceleration (LCMR) .....	(1,996,500)	(2,397,500)

This appropriation reduction was made after consideration of the recommendations of the Legislative Commission on Minnesota Resources. The Legislative Commission on Minnesota Resources shall apportion this appropriation reduction among the several programs and activities in Laws 1981, Chapter 356, Section 31.

(z) Labor and Industry .....	(279,200)	(279,200)
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The appropriation reductions in this item are made after the appropriation transfers authorized by Laws 1981, Chapter 346, Section 144.

None of this reduction shall occur in the appropriations for the special compensation fund or for peace officer death benefits.

No reduction shall be made in the appropriation for the workers' compensation program, except as necessary to provide money for the OSHA program to minimize the loss of federal matching money or where the commissioner can demonstrate that the reduction can be made because

of cost savings that will not harm the workers' compensation program.

Expenditure of the monies appropriated in Laws 1981, Chapter 346, Section 144, Subdivision 7 shall not be governed by the low bid requirements of section 16.08.

(aa) Workers' Compensation Court of Appeals .....	(13,000)	(13,000)
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The appropriation reductions in this item are made after the appropriation transfers authorized by Laws 1981, Chapter 346, Section 144.

(bb) Mediation Services .....	(48,300)	(121,000)
(cc) Public Employment Relations Board .....	(2,500)	(3,000)
(dd) Military Affairs .....	(545,000)	(550,000)
(ee) Veterans Affairs .....	(158,900)	(166,300)

This reduction shall not be made in direct patient care positions at the veterans homes.

Notwithstanding the provisions of Minnesota Statutes, Section 198.055, the members of the veterans advisory committee may forego the compensation provided therein.

The nondedicated receipt limitation in Laws 1981, Chapter 356, Section 36 for fiscal year 1982 is reduced by \$627,800.

(ff) Indian Affairs Intertribal Board .....	(13,000)	(13,000)
(gg) Council on Black Minnesotans .....	(-0-)	(9,300)
(hh) Council for the Handicapped .....	(27,700)	(21,500)
(ii) Human Rights .....	(125,000)	(125,000)
(jj) Council On Affairs of Spanish-Speaking People .....	(2,600)	(2,700)
(kk) Housing Finance Agency .....	(2,500,000)	(-0-)

The appropriation in Laws 1981, Chapter 306, Section 21, is reduced by the amount indicated.

The spending limit on cost of general administration of agency programs is reduced by \$54,300 the first year and \$54,300 the second year.

(ll) Salary Supplement .....	(-0-)	(20,000,000)
(mm) Retirements .....	(1,927,900)	(2,085,100)

These reductions are made in recognition of the reduced employer contributions required by Minnesota Statutes, Sections 352.04 and 352.92, as amended by this article.

Of these amounts \$306,800 in fiscal year 1982

and \$330,000 in fiscal year 1983 are reduced from the general operation and maintenance appropriation made to the University of Minnesota in Laws 1981, Chapter 359, Section 7.

Of these amounts \$191,400 in fiscal year 1982 and \$191,400 in fiscal year 1983 are reduced from the public transit appropriation made to the metropolitan transit commission in Laws 1981, Chapter 363, Section 55, Subdivision 1.

It is estimated that the rate changes in Minnesota Statutes, Sections 352.04, Subdivision 3 and 352.92, Subdivision 2, as amended by this article, will produce reductions from employer contributions for state employees to the Minnesota state retirement system of \$1,429,700 in fiscal year 1982 and \$1,563,700 in fiscal year 1983.

Subd. 2. [TRANSPORTATION AND OTHER AGENCIES.]

The general fund appropriations in Laws 1979, Special Session, Chapter 1, and Laws 1981, Chapters 346, 357, and 363, as amended by Laws 1981, First Special Session, Chapter 4, Article 4, are reduced by the listed amounts:

(a) Transportation ..... (1,305,200) (3,864,000)

Appropriations for Rail Service Improvement Grants are reduced by \$124,000 in the first year.

Appropriations for MTC operating subsidies are reduced \$2,400,000 in the second year. Appropriations for MTC social fare reimbursements are reduced \$227,000 in the first year and \$461,000 in the second year.

Notwithstanding Laws 1981, Chapter 363, Section 55, Subdivision 1, the metropolitan transit commission may add up to a \$.15 surcharge on fares during the peak hours. The surcharge shall expire on June 30, 1983.

The metropolitan transit commission shall reduce its support staff by 50 positions below the actual level existing on December 1, 1981. Thirty-one positions shall be reduced by April 1, 1982 and the remaining 19 positions shall be reduced by July 1, 1983. Support staff includes all staff other than drivers, mechanics and security personnel.

The metropolitan transit commission is directed to prepare a report to the legislature regarding both employee benefit packages, including pension programs, and peak hour staffing practices. The report shall include projections of both short and long term costs. The report shall be submitted to the chairman of the house appropriations committee and the chairman of the senate fi-



nance committee by February 1, 1982.

The metropolitan transit commission shall not expend capital or operating funds for the purchase of articulated buses with wheelchair lifts. This restriction shall apply to any articulated buses which may be on order.

The department shall reallocate resources in order to review MTC budgets and to contract for the disbursement of funds to the metropolitan transit commission pursuant to statutory requirements.

Appropriations for private transit operators in the metropolitan area are reduced \$73,000 in the first year and \$143,000 in the second year.

Appropriations for statewide transit operating assistance are reduced \$700,000 in the first year and \$850,000 in the second year.

No reductions shall be made for metro mobility projects, the metro mobility control center, and project mobility.

Appropriations for public transit capital grants are reduced \$37,200 in the first year.

Appropriations for a public transit study are reduced \$10,000 in the first year and \$10,000 in the second year.

Reimbursements from the general fund to the trunk highway fund are reduced \$116,000 in the first year and \$192,200 in the second year.

Any unexpended balance of the appropriation for AMTRAK rail subsidy Duluth-Twin Cities made by Laws 1980, Chapter 614, Section 27, Clause (c) and any reimbursements or refunds of expenditures made for the fiscal year ending June 30, 1981 are reappropriated for the subsidization of service during the biennium ending June 30, 1983.

The immediately available appropriation for AMTRAK operations made by Laws 1981, Chapter 357, Section 2, Subdivision 4, Clause (e) is reappropriated for the biennium ending June 30, 1983, and may be expended without regard to the restrictions stated therein.

The appropriation in Laws 1979, Special Session Chapter 1, Section 13 is reduced by \$134,000.

(b) Public Safety ..... (726,300) (558,700)

Reimbursements from the general fund to the trunk highway fund are reduced \$37,600 in the first year and \$38,900 in the second year.

The liquor control program shall concentrate its activities along the border areas of Minnesota.

(c) Commerce ..... (318,900) (380,100)

Appropriations for the banking division shall be reduced \$6,300 in the first year and \$7,300 in the second year.

Appropriations for the securities and real estate division shall be reduced \$38,400 in the first year and \$67,700 in the second year.

Appropriations for the insurance division shall be reduced \$131,000 in the first year and \$13,100 in the second year. No more than seven positions shall be reduced or remain unfilled in the insurance division.

Appropriations for the office of consumer services shall be reduced \$109,400 in the first year and \$153,700 in the second year.

Appropriations for administrative services shall be reduced \$33,800 in the first year and \$138,300 in the second year.

(d) Abstractors, Board of ..... (500) (500)

The board may not hold more than four meetings a year unless an emergency requires a special meeting. This restriction is not effective after June 30, 1983.

(e) Accountancy, Board of ..... (-0-) (3,800)

(f) Architecture, Engineering and Land Surveying, Board of ..... (18,800) (38,700)

(g) Barber Examiners, Board of ..... (-0-) (2,700)

(h) Boxing, Board of ..... (8,000) (11,400)

The board may not hold more than four meetings a year unless an emergency requires a special meeting. This restriction is not effective after June 30, 1983.

(i) Peace Officer Standards and Training, Board of ..... (11,700) (11,800)

(j) Examiners in Watchmaking, Board of ..... (700) (800)

The board may not hold more than four meetings a year unless an emergency requires a special meeting. This restriction is not effective after June 30, 1983.

(k) Public Utilities Commission ..... (20,700) (21,600)

(l) Public Service ..... (33,300) (33,400)

(m) Ethical Practices Board ..... (17,000) (15,400)

(n) Minnesota Municipal Board ..... (20,700) (21,000)

(o) Minnesota-Wisconsin Boundary Area Commission .....	(3,400)	(3,700)
(p) Uniform Laws Commission .....	(-0-)	(3,200)
(q) Voyageurs National Park Citizens Committee .....	(-0-)	(5,500)
(r) Southern Minnesota River Basin Board .....	(5,800)	(6,000)
(s) Minnesota Historical Society .....	(635,900)	(969,500)

This reduction shall not apply to the Minnesota military history museum at Fort Snelling and Camp Ripley, the Sibley House Association, government learning center, Minnesota humanities commission, Minnesota international center, and the historic grant-in-aid program to encourage local historic preservation projects.

(t) Arts, Board of the .....	(254,800)	(400,200)
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The amounts to be reduced from each program are as follows:

(1) Administrative Services

1982	1983
(112,100)	(154,500)

(2) Subsidies and Grants

(142,700)	(245,700)
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Of the remaining appropriations, \$758,600 in the first year and \$897,800 in the second year is for the general support one program; \$136,700 in the first year and \$157,400 in the second year is for the general support two program; \$80,600 in the first year is for the sponsor grants program; and \$685,700 in the first year and \$677,600 in the second year is for the regional program. Regional grants shall be distributed according to the formula included in the work papers adopted by the conference committee.

(u) Minnesota Humane Society .....	(6,200)	(-0-)
(v) County Attorneys Council .....	(15,100)	(-0-)
(w) Minnesota Horticultural Society .....	(8,900)	(9,600)
(x) Minnesota Academy of Science .....	(-0-)	(5,800)
(y) Science Museum of Minnesota .....	(-0-)	(-0-)

The appropriation for the second year shall be reduced by \$25,000. This reduction shall be reinstated on the basis of \$1 for every \$1 received from the city of Saint Paul.

Subd. 3. [EDUCATION.]

The general fund appropriations in Laws 1973, Chapter 768, Section 14,

Subdivision 8, and in Laws 1981, Chapter 359, as amended by Laws 1981, First Special Session, Chapter 2, are reduced by the listed amounts:

(a) Education, Department of . . . . . (1,500,000) (3,000,000)

None of this reduction shall be taken from the appropriations for the Minnesota School for the Deaf or the Minnesota Braille and Sight-saving School.

The department of education shall maintain the existing Minnesota Indian education scholarship office at Bemidji during the biennium ending June 30, 1983, with no reduction in general fund appropriations.

(b) Higher Education Coordinating Board . . . . . (2,056,900) (2,280,000)

\$302,000 of the amount for 1983 is a reduction from the private college contract program. The private college contract program shall not provide funds for post baccalaureate students.

\$1,900,000 of the reduction for 1983 is a reduction in the appropriation for state scholarships, nurses scholarships, and grants-in-aid.

\$1,856,900 of the reduction for 1982 represents the cancelation of the appropriation and accrued interest on the appropriation in Laws 1973, Chapter 768, Section 14, Subdivision 8.

Notwithstanding any law to the contrary, if a portion of sums appropriated to the higher education coordinating board pursuant to Laws 1981, Chapter 359, Section 3, Subdivisions 3, 4, 5, 7, 9 and 10 for state scholarships, nurses scholarships, state grants-in-aid, part time student subsidy, special assistance, state work study, AVTI tuition subsidy and private college contracts for fiscal year 1983 are refunded and unused, that portion may be transferred to meet obligations under interstate tuition reciprocity agreements. However, the higher education coordinating board shall demonstrate to the commissioner of finance that the intended level of expenditure for the programs is not reduced. In addition, transfers made may be reversed if necessary to meet the needs and objectives of affected programs.

(c) State University Board . . . . . (2,300,000) (4,600,000)

(d) State Community College Board . . . . . (1,100,000) (2,200,000)

(e) University of Minnesota . . . . . (6,500,000) (13,100,000)

(f) Mayo Medical School . . . . . (120,000) (250,000)

Subd. 4. [WELFARE, CORRECTIONS, HEALTH.]

The general fund appropriations in Laws 1981, Chapter 354, and Chapter 360, as amended by Laws 1981, First Special Session, Chapter 2, are reduced by the listed amounts:

(a) Public Welfare . . . . . (3,004,600) (14,784,400)

The sum of \$26,500,000 for 1982 is appropriated to the commissioner of public welfare for the income maintenance program.

This appropriation is available as indicated only if the amount already appropriated in Laws 1981, Chapter 360, Article I, Section 2, Subdivision 4, is insufficient to meet the costs. This appropriation is available only upon recommendation of the legislative advisory commission under Minnesota Statutes, Section 3.30.

Aid to families with dependent children and general assistance grants shall be increased by the commissioner of public welfare by seven percent on October 1, 1982, rather than July 1, 1982, unless federal statute or regulation requires otherwise.

For the rate year that begins during the fiscal year ending June 30, 1982, for each existing facility with a capacity increase of more than 25 percent but less than 50 percent for which a certificate of need has been issued on or after January 1, 1980 and for which contracts for construction had been let, and both ground breaking and construction were begun before July 1, 1981, increases in the per diem for depreciation and interest expense applicable to the new construction shall not be limited by the prevailing statutory percentage limit established by Minnesota Statutes 1981 Supplement, Section 256B.03, Subdivision 2 or the regional maximum rate. The additional amounts allowed for depreciation and interest under this provision shall be excluded from subsequent computations of the regional maxima.

The commissioner of public welfare shall study the fiscal and programmatic impact, the number of persons who would be affected, problems and benefits to persons who would be affected, and any other effects, if the costs of providing developmental achievement services and semi-independent living services were paid through Title 19 of the Social Security Act and Minnesota Statutes, Chapter 256B. The studies shall be completed and submitted to the legislature not later than two months following final enactment of federal appropriation amounts.

The provisions of Minnesota Statutes 1980,

Section 256D.22 are suspended during the fiscal year ending June 30, 1983.

(b) Economic Security . . . . . (4,719,300) (-0-)

This amount includes a reduction of \$4,189,400 the first year for the training and community services program. However, there shall be no reduction in the displaced homemakers or summer youth programs. Reductions in the vocational rehabilitation program shall be \$529,900 for the biennium.

(c) Corrections . . . . . (699,500) (1,627,500)

Notwithstanding the provisions of any other law to the contrary, the commissioner of corrections may for the purpose of maximizing the benefits of the subsidy paid to counties under Minnesota Statutes 1980, Sections 401.14 and 401.15, waive the requirements of 11 MCAR, Sections 2.006(c) and 2.007(b) that specify the percentages of the total subsidy received by each participating county that must be expended only for information systems, program evaluation, training, and education. This provision expires June 30, 1983.

(d) Sentencing Guidelines Commission . . . . . (-0-) (1,500)

(e) Corrections Ombudsman . . . . . (-0-) (2,300)

(f) Health . . . . . (1,588,000) (788,800)

Notwithstanding any law to the contrary, the commissioner of health shall increase the fee charged for medical laboratory services to \$5.00.

The commissioner of health may charge a fee for voluntary certification of medical laboratories and environmental laboratories. The fee may be established without complying with Minnesota Statutes, Sections 15.041 to 15.052. This provision expires June 30, 1983.

The commissioner of health may charge fees for environmental laboratory services in amounts approximately equal to the costs of providing the services. The fees may be established without complying with Minnesota Statutes, Sections 15.041 to 15.052. This provision expires June 30, 1983.

Notwithstanding Laws 1981, Chapter 360, Article I, Section 14, the commissioner of health shall establish fees for licensure of health care facilities in accordance with Minnesota Statutes 1980, Section 16A.128. These fees may include increases for any licenses already issued or to be issued for the 1982 calendar year. The statutory

percentage limitation for long term care may be exceeded by the amounts of the increased license fees authorized by this provision and charged by the commissioner of health, and the increased fee amount shall be an allowed cost to the extent that the increase when added to other allowed costs exceeds the statutory limitation.

*Subd. 5. [APPROPRIATION AVAILABILITY.] If the appropriation from the general fund to an agency listed in this section in either year of the biennium ending June 30, 1983, is insufficient, upon the advance approval of the commissioner of finance the appropriation for the other year is available for it.*

*Subd. 6. [RELATION TO PRIOR REDUCTIONS.] The appropriation reductions in this section are in addition to the general reductions, general staff reductions, and other reductions made in previous appropriation acts.*

*Subd. 7. [PROGRESS REPORTS.] Each state agency whose appropriation is reduced by this section shall submit a revised spending plan to the commissioner of finance pursuant to Minnesota Statutes, Section 16A.14. The revised spending plan shall be formulated on a quarterly basis in order to permit the commissioner of finance to monitor the agency's success at meeting its spending and position reduction goals. The commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives promptly after the end of each quarter of any agency that has failed to meet its spending and position reduction goals for that quarter.*

Sec. 3. Laws 1981, Chapter 356, Section 45, is amended to read:

Sec. 45. [WORKERS' COMPENSATION.]

The appropriations in this act for the operation of each state department or agency, except the *game and fish fund appropriations* to 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 *game and fish fund appropriations* to the department of natural resources or as may be required by an increase in the statutory level of workers' compensation benefits.

Sec. 4. Laws 1981, Chapter 356, Section 46, is amended to read:

Sec. 46. [UNEMPLOYMENT COMPENSATION.]

The appropriations in this act for the operation of each state department or agency, except the *game and fish fund appropriations* to 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 intent of the legislature not to appropriate additional money at any future time to pay unemployment compensation obligations for fiscal 1982 and 1983, except for *game and fish fund appropriations* to the department of natural resources or as may be required by an increase in the statutory level of unemployment compensation benefits.

Sec. 5. Laws 1981, Chapter 359, Section 3, Subdivision 3, is amended to read:

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 not be needed and any balance may be transferred to subdivision 6 of this section to the extent a deficiency occurs in the interstate tuition reciprocity appropriation.~~

**Sec. 6. [PLANS FOR DECLINING ENROLLMENT.]**

*Subdivision 1. [UNIVERSITY OF MINNESOTA; STATE UNIVERSITIES:] The board of regents of the University of Minnesota, and the state university board, shall each develop a plan for providing post-secondary education services under conditions of declining or reduced enrollments. Each plan shall specify the fiscal implications of declining enrollments. Each plan shall propose a strategy for adjusting the present level of facilities and services to the projected level of reduced demand. The strategies may include such methods as campus mergers, reorganizations, discontinuance of campuses or colleges, changes in system governance, and other such methods. The purpose of the plan is to reduce the cost of present facilities and services in proportion to the reduction in enrollment. Each plan shall be submitted to the legislature by January 1, 1983.*

*Subd. 2. [COMMUNITY COLLEGES; AREA VOCATIONAL-TECHNICAL INSTITUTES.] The community college board and the state board for vocational education shall continue the planning process which is currently ongoing and under discussion with legislative committees with regard to community colleges and area vocational technical institutes. One of the purposes of the planning process is to develop strategies to adjust the present cost of facilities and services to the projected level of reduced demand.*

*Subd. 3. [REVIEW AND COMMENT.] The higher education coordinating board shall review and comment on the strategies developed pursuant to subdivisions 1 and 2.*

*Subd. 4. [FACTORS.] In developing strategies for the adjustment of present facilities and services to reduced levels of demand, the boards shall consider such factors as the system's mission, the impact of such adjustments on students, short-term and long-term enrollment trends, fiscal implications, geographic accessibility to comparable public institutions, accessibility for the handicapped, availability of alternative programs, legal implications and feasibility of employee transfers.*

*Subd. 5. [STUDENT TRANSFERS.] In developing strategies for the adjustment of facilities and services to reduced levels of demand the boards shall, insofar as possible, plan to provide students with the opportunity to complete programs in their major course of study and to complete graduation requirements by transferring to other institutions. The plans should provide for full transfer of earned credits and flexibility in meeting graduation requirements to*



*the extent possible.*

*Subd. 6. [CONSULTATION.] In the process of developing strategies for the adjustment of facilities and services to reduced levels of demand each system shall consult with the other systems and with the higher education coordinating board.*

*Subd. 7. [EMPLOYEE TRANSFER.] To the extent possible, the strategies shall provide that employees whose positions will be eliminated by the adjustments will be allowed to transfer to positions in other post-secondary institutions within each system and will be given preference in new hirings. To the extent possible, the strategies shall provide for the maintenance of terms and conditions of employment provided for in any existing labor agreement and shall be implemented, to the extent possible, in a manner consistent with such labor agreements.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 3.9222, Subdivision 2, 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~~ eight 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~~ four citizens for three-year terms and ~~six~~ four 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. 8. [GOVERNOR TO DESIGNATE MEMBERS.]

*The governor shall designate the four citizens whose membership on the advisory council for the economic status of women will terminate because of the reduction in size of the council required by section 7. The terminations are effective the day following final enactment.*

Sec. 9. [5.12] [CERTIFICATE; CERTIFIED COPY OF DOCUMENT; FEE.]

*The secretary of state shall charge a fee of \$5 for each certificate or certification of a copy of any document filed in the office of the secretary of state.*

Sec. 10. Minnesota Statutes 1981 Supplement, Section 15.052, Subdivision 5, is amended to read:

Subd. 5. [COURT REPORTERS; AUDIO RECORDINGS.] The office of administrative hearings may maintain a court reporter system and in addition to or in lieu thereof may contract with nongovernmental 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~~ use audio magnetic recording devices to keep the record of hear-

ings except when there are more than two primary parties in a case and the chief hearing examiner determines that the use of a court reporter is more appropriate. If the chief hearing examiner determines that the use of a court reporter is more appropriate, the cost of the court reporter shall be paid by the state. If the chief hearing examiner determines that the use of an audio magnetic recording device is more appropriate in a hearing under chapter 176, any party to that hearing may provide a court reporter at the party's expense. Court reporters provided by a party shall be selected from the chief hearing examiner's list of non-governmental sources.

*The fee charged by a court reporter to a party shall not exceed the fee which would be charged to the state pursuant to the court reporter's contract with the state.*

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. 11. Minnesota Statutes 1981 Supplement, 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 these fees shall be reviewed at least once each six months, and, except in special fee situations as determined by the commissioner, adjustments shall be made to the end that the total fees received shall approximate the amount appropriated for the several 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 ~~110 percent~~ of the sum of all direct appropriations, indirect costs, transfers in, and salary supplements for that purpose for the biennium.

Sec. 12. [35.84] [FEES FOR SERVICES TO STATE FAIR.]

*The board of animal health shall charge fees to cover all direct and indirect costs of services rendered to the state agricultural society in connection with the state fair. Fee receipts shall be deposited in the state treasury and credited to the general fund.*

Sec. 13. Minnesota Statutes 1980, Section 40.03, Subdivision 2, is amended to read:

Subd. 2. [EMPLOYEES.] The department of natural resources shall provide administrative functions of this section. The commissioner of natural resources shall make available by separate budget to the state soil and water conservation board the staff services, funds for operation, and office space necessary for the administration and coordination of its functions. The state board shall be responsible to the commissioner for reporting purposes in regard to staff functions and operations which relate to department activities.

The commissioner of natural resources shall, ~~subject to approval~~ *with the advice* of the state board, provide an administrative officer and other necessary permanent and temporary technical experts, agents and employees. The state board shall ~~determine~~ *recommend* the personnel's qualifications and duties to

*the commissioner of natural resources*, and recommend compensation to the commissioner of employee relations. The state board may call upon the attorney general for necessary legal services. It shall have authority to delegate to its chairman or to one or more of its other officers or members or administrative officer any of its own powers and duties it may deem proper. The administrative officer is responsible to the state board and may be dismissed by the commissioner of natural resources only upon the advice and recommendation of the state board in the unclassified service. All permanent personnel of the state board are employees of the department of natural resources and are in the classified service of the state, except for the administrative officer or as otherwise required by statute. All rights, duties and responsibilities of the existing staff of the state board on November 12, 1971 shall remain unchanged except as may be agreed upon by the state board and the commissioner. In order to perform its duties, the state board may request information from the supervising officer of any state agency or state institution of higher education, including the state universities, the community colleges, and the post-secondary vocational technical schools. The supervising officer shall comply with the state board's request to the extent possible considering available appropriations and may assign agency or institution employees to compile existing information and to complete special reports, surveys, or studies concerning the problems specified in section 40.02.

Sec. 14. Minnesota Statutes 1981 Supplement, Section 169.871, Subdivision 3, is amended to read:

Subd. 3. [APPEARANCES.] Notwithstanding the provisions of section 8.01, county or city attorneys shall may appear for the state commissioner of public safety in civil actions commenced under this section at the request of the attorney general.

Sec. 15. Minnesota Statutes 1981 Supplement, Section 169.871, Subdivision 5, is amended to read:

Subd. 5. [FINES.] Any penalty imposed and fines collected pursuant to this section shall be disposed of as provided in section 299D.03, subdivision 5, with the following exceptions:

(a) If the violation occurs in the county, and the county attorney appears in the action, the remaining five-eighths shall be credited to the highway user tax distribution fund.

(b) If the violation occurs within the municipality, and the city attorney appears in the action, the remaining one-third shall be paid to the highway user tax distribution fund.

(c) In all cases when the attorney general appears in the action, all penalties imposed and fines collected shall be credited to the highway user tax distribution fund.

Sec. 16. Minnesota Statutes 1981 Supplement, Section 169.872, Subdivision 1, is amended to read:

Subdivision 1. [RECORD KEEPING.] A person who weighs goods before or after unloading or a person who loads or unloads goods on the basis of liquid volume measure shall keep a written record of the origin, weight and composition of each shipment, the date of loading or receipt, the name and address of

the shipper, the total number of axles on the vehicle or combination of vehicles, and the registration number of the power unit or some other means of identification by which the shipment was transported. The record shall be retained for 30 days and shall be open to inspection and copying by a state law enforcement officer or motor transport representative or a peace officer as defined in section 626.84, subdivision 1, clause (e), except state conservation officers, upon demand. For informational purposes only if inspection indicates excess weight of 3,000 pounds or more, the inspecting officer shall notify, within 30 days of inspection of the record, the person who consigned the goods for shipment. No search warrant is required to inspect or copy the record. This subdivision does not apply to a person weighing goods who is not involved in the shipping, receiving and transporting of those goods.

Sec. 17. Minnesota Statutes 1981 Supplement, Section 174.24, Subdivision 3a, is amended 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. *In order to receive financial assistance, the commission shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to identify the revenues, costs, and service plan upon which the appropriation is based.*

Sec. 18. Minnesota Statutes 1981 Supplement, Section 174.31, Subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; OBJECTIVES.] A 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;

(b) To develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner; and

(c) To use existing public and private providers of service wherever possible, to supplement rather than replace existing service, and to increase the productivity of all special transportation vehicles available in the area.

For the purpose of this section "project" means the project established under this subdivision.

Sec. 19. Minnesota Statutes 1981 Supplement, Section 174.31, Subdivision 3, is amended to read:

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; and

(h) (g) Adopt rules by January 15, 1982, establishing criteria to be used in determining individual eligibility for special transportation services.

Sec. 20. Minnesota Statutes 1981 Supplement, 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 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 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 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 for the benefit of the special compensation fund a lump sum without interest deduction equal to 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.

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.

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 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, compensation judges, the workers' compensation court of appeals or district court in cases before 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, 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 for~~ The accounting, investigation, and legal ~~procedures~~ costs necessary for the administration of the programs financed by the special compensation fund shall ~~come as appropriated~~ be paid 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. 21. Minnesota Statutes 1980, Section 176.421, Subdivision 3, is amended to read:

Subd. 3. [NOTICE OF APPEAL.] The appellant *or his attorney* shall pre-

pare and sign a written notice of appeal specifying:

- (1) the order appealed from;
- (2) that appellant appeals from the order to the workers' compensation court of appeals;
- (3) the particular finding of fact or conclusion of law which he claims was unwarranted by the evidence or procured by fraud, coercion, or other improper conduct; and,
- (4) the testimony or other part of the record of the hearing necessary to be transcribed in order for the court of appeals to consider the appeal; and,
- (5) any other ground upon which the appeal is taken.

Sec. 22. Minnesota Statutes 1981 Supplement, 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 chief hearing examiner and file a copy with the commissioner;
- (3) In order to defray the cost of the transcript preparation of the record of the proceedings appealed from, pay to the chief hearing examiner state treasurer, office of administrative hearings account 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 \$25; and

- (4) Submit a request that the chief hearing examiner order the preparation of a transcript of that part of the hearing delineated in the notice of appeal.

A party who desires a transcript of more of the hearing than has been requested by the appellant shall, within five working days of service of the notice of appeal, make a request of the chief hearing examiner that the additional testimony be transcribed.

The party requesting the preparation of the transcript or any part is liable for the cost of preparation. The cost of a transcript prepared by a non-governmental source shall be paid directly to that source and shall not exceed the cost that the source would be able to charge the state for the same service.

Upon a showing of cause, the chief hearing examiner may direct that a transcript be prepared without expense to the appellant party requesting its preparation, in which case the cost of the transcript shall be paid by the office of administrative hearings.

All fees received by the office of administrative hearings for the preparation of the record for submission to the workers' compensation court of appeals or for the cost of transcripts prepared by the office shall be deposited in the office of administrative hearings account in the state treasury and shall be used solely for the purpose of keeping the record of hearings conducted under this chapter and the preparation of transcripts of those hearings.

Sec. 23. Minnesota Statutes 1981 Supplement, Section 176.421, Subdivision 5, is amended to read:

Subd. 5. [TRANSCRIPT; CERTIFICATION OF THE RECORD.] When the notice of appeal has been filed with the chief hearing examiner and the ~~transcription~~ fee for the preparation of the record has been paid, the chief hearing examiner shall immediately ~~prepare~~ order the preparation of a type-written transcript of that part of the ~~proceedings~~ hearing delineated in the notice. The official reporter or other person designated by the chief hearing examiner who transcribes the proceedings shall certify to their correctness.

*If the transcript is prepared by a person who is not an employee of the office of administrative hearings, upon completion of the transcript, the original shall be filed with the chief hearing examiner.*

*When the transcript has been completed and is on file with the chief hearing examiner, he shall certify the record to the workers' compensation court of appeals and notify the commissioner of the certification.*

Sec. 24. Minnesota Statutes 1981 Supplement, 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, *where one or more of the parties is not represented by an attorney*, 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. 25. Minnesota Statutes 1981 Supplement, 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, and the district court 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 *conclusively* presumed to be reasonable, fair, and in conformity with this chapter.

Sec. 26. Minnesota Statutes 1980, Section 176.521, is amended by adding a subdivision to read:

Subd. 2a. [SETTLEMENTS NOT SUBJECT TO APPROVAL.] *When a settled case is not subject to approval, upon receipt of the stipulation for settlement, a compensation judge or a settlement judge shall immediately sign the award and file it with the commissioner. Payment pursuant to the award shall be made within 14 days after it is filed with the commissioner. The*



*commissioner may correct mathematical or clerical errors at any time.*

Sec. 27. Minnesota Statutes 1980, Section 184.30, Subdivision 2, is amended to read:

Subd. 2. The secretary of state shall be paid a filing fee of ~~\$5~~ \$10.

Sec. 28. Minnesota Statutes 1980, Section 197.23, is amended to read:

197.23 [MAY PROVIDE MARKERS.]

The commissioner of veterans affairs ~~shall~~ *may*, upon the petition of any five reputable freeholders of any township or municipality, or of any patriotic or ex-servicemen's organization, procure for and furnish to the petitioners some suitable and appropriate metal socket and an appropriate marker for the grave of each and every soldier, sailor, marine, or nurse who served with honor in the forces of the United States and who is buried within the limits of the state, to be placed on the grave of such soldier, sailor, marine, or nurse for the purpose of permanently marking and designating the grave for memorial purposes.

Sec. 29. Minnesota Statutes 1981 Supplement, Section 204B.11, Subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] Except as provided by subdivision 2, a filing fee shall be paid by each candidate who files an affidavit of candidacy. The fee shall be paid at the time the affidavit is filed. The amount of the filing fee shall vary with the office sought as follows:

(a) For the office of governor, lieutenant governor, attorney general, state auditor, state treasurer, secretary of state, representative in congress, judge of the supreme court, judge of the district court, or judge of the county municipal court of Hennepin County, ~~\$100~~ \$150;

(b) For the office of senator in congress, ~~\$150~~ \$200;

(c) For office of senator or representative in the legislature, ~~\$20~~ \$50; and

(d) For a county office, ~~\$20~~ \$50.

For the office of presidential elector, and for those offices for which no compensation is provided, no filing fee is required.

The filing fees received by the county auditor shall immediately be paid to the county treasurer. The filing fees received by the secretary of state shall immediately be paid to the state treasurer.

When an affidavit of candidacy has been filed with the appropriate filing officer and the requisite filing fee has been paid, the filing fee shall not be refunded.

Sec. 30. Minnesota Statutes 1980, Section 221.67, is amended to read:

221.67 [SERVICE OF PROCESS.]

The use of any of the public highways of this state for the transportation of persons or property for compensation by a motor carrier in interstate commerce shall be deemed an irrevocable appointment by ~~such~~ *the* carrier of the secretary of state to be his true and lawful attorney upon whom may be served all legal process in any action or proceeding brought under section 221.66 against him or his executor, administrator, personal representative, heirs, successors or

assigns. ~~Such~~ This use is a signification of agreement by ~~said~~ the interstate motor carrier that any ~~such~~ process in any action against him or his executor, administrator, personal representative, heirs, successors, or assigns which is so served shall be of the same legal force and validity as if served upon him personally. ~~Such~~ Service shall be made by serving a copy thereof upon the secretary of state or by filing ~~such~~ a copy in his office, together with payment of a fee of ~~\$10~~ \$15, and ~~such~~ the service shall be sufficient service upon the absent motor carrier; ~~provided that if~~ notice of ~~such~~ the service and a copy of the process are within ten days thereafter sent by mail by the plaintiff to the defendant at his last known address and ~~that~~ the plaintiff's affidavit of compliance with the provisions of sections 221.61 to 221.68 is attached to the summons.

Sec. 31. Minnesota Statutes 1981 Supplement, 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.
- (3) Physicians' services.
- (4) Outpatient hospital or clinic services.
- (5) Home health care services.
- (6) Private duty nursing services.
- (7) Physical therapy and related services.
- (8) Dental services, excluding cast metal restorations.
- (9) Laboratory and x-ray services.

(10) The following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices. 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 commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. 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. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act. The formulary shall not include: drugs for which~~

there is no federal funding; over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; nutritional products; anorectics; and drugs for which medical value has not been established. Payment to drug vendors shall not be modified before the formulary is promulgated established. The commissioner may promulgate conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

*The basis for determining the amount of payment shall be the actual acquisition cost of the drug plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the administrative procedure act. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2.*

(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. 32. Minnesota Statutes 1981 Supplement, 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 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. ~~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 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. 33. Minnesota Statutes 1980, Section 268.16, Subdivision 3, is amended to read:

Subd. 3. [COLLECTION.] (1) If, after due notice, any employer defaults in any payment of contributions or interest due thereon or penalties for failure to file returns and other reports as and when required by the provisions of sections 268.03 to 268.24 or by any rule or regulation of the commissioner, the amount due shall be collected by civil action in the name of the state of Minnesota, and any money recovered on account thereof shall be credited to the funds provided for under the provisions of these sections. This remedy shall be in addition to such other remedies as may be herein provided or otherwise provided by law, and the employer adjudged in default shall pay the costs of such the action. Civil actions brought under this section to collect contributions, interest due

thereon, or penalties from an employer shall be heard by the court at the earliest possible date. No action for the collection of contributions or interest thereon shall be commenced more than four years after the contributions have been reported by the employer or determined by the commissioner to be due and payable. In any action herein provided for, judgment shall be entered against any defendant in default for want of answer or demurrer, for the relief demanded in the complaint without proof, together with costs and disbursements, upon the filing of an affidavit of default.

No action shall be commenced for the collection of contributions with respect to wages paid for services performed prior to the effective date of a subsequent provision of law enacted prior to July 1, 1941, excluding ~~such the~~ service from coverage under sections 268.03 to 268.24.

(2) Any employing unit which is not a resident of this state and which exercises the privilege of having one or more individuals perform service for it within this state, and any resident employing unit which exercises that privilege and thereafter removes from this state, shall be deemed thereby to appoint the secretary of state as its agent and attorney for the acceptance of process in any civil action under this subdivision. In instituting ~~such an~~ action against ~~any such the~~ employing unit the commissioner shall cause ~~such any~~ process or notice to be filed with the secretary of state, *together with payment of a fee of \$15, and ~~such the~~ service shall be sufficient service upon ~~such the~~ employing unit, and shall be of the same force and validity as if served upon it personally within this state:* Provided, that the commissioner shall forthwith send notice of the service of ~~such the~~ process or notice, together with a copy thereof, by certified mail, return receipt requested, to ~~such the~~ employing unit at its last known address and ~~such the~~ return receipt, the commissioner's affidavit of compliance with the provisions of this section, and a copy of the notice of service, shall be appended to the original of the process filed in the court in which ~~such the~~ civil action is pending.

Sec. 34. Minnesota Statutes 1980, Section 278.03, is amended to read:

#### 278.03 [PAYMENT OF PORTION OF TAX.]

If the proceedings instituted by the filing of the petition have not been completed before the first day of June next following the filing, the petitioner shall pay to the county treasurer 50 percent of the tax levied for such year against the property involved, unless permission to continue prosecution of the petition without such payment is obtained as herein provided. If the proceedings instituted by the filing of the petition have not been completed by the next November 1, the petitioner shall pay to the county treasurer 50 percent of the unpaid balance of the taxes levied for the year against the property involved *if the unpaid balance is \$2,000 or less and 80 percent of the unpaid balance if the unpaid balance is over \$2,000*, unless permission to continue prosecution of the petition without payment is obtained as herein provided. The petitioner, upon ten days notice to the county attorney and to the county auditor, given at least ten days prior to the first day of June or the first day of November, may apply to the court for permission to continue prosecution of the petition without payment; and, if it is made to appear

- (1) That the proposed review is to be taken in good faith;
- (2) That there is probable cause to believe that the property may be held

exempt from the tax levied or that the tax may be determined to be less than 50 percent of the amount levied; and

(3) That it would work a hardship upon petitioner to pay ~~50 percent of such~~ *the taxes due*,

the court may permit the petitioner to continue prosecution of the petition without payment, or may fix a lesser amount to be paid as a condition of continuing the prosecution of the petition.

Failure to make payment of the amount required when due shall operate automatically to dismiss the petition and all proceedings thereunder unless the payment is waived by an order of the court permitting the petitioner to continue prosecution of the petition without payment. The county treasurer shall, upon request of the petitioner, issue duplicate receipts for the tax payment, one of which shall be filed by the petitioner in the proceeding.

Sec. 35. Minnesota Statutes 1981 Supplement, Section 302A.901, Subdivision 2, is amended to read:

Subd. 2. [SERVICE ON SECRETARY OF STATE; WHEN PERMITTED.] If a corporation has appointed and maintained a registered agent in this state but neither its registered agent nor an officer of the corporation can be found at the registered office, or if a corporation fails to appoint or maintain a registered agent in this state and an officer of the corporation cannot be found at the registered office, then the secretary of state is the agent of the corporation upon whom the process, notice, or demand may be served. The return of the sheriff, or the affidavit of a person not a party, that no registered agent or officer can be found at the registered office in a county is conclusive evidence that the corporation has no registered agent or officer at its registered office. Service on the secretary of state of any process, notice, or demand is deemed personal service upon the corporation and shall be made by filing with the secretary of state duplicate copies of the process, notice, or demand. The secretary of state shall immediately forward, by ~~registered~~ *certified* mail, addressed to the corporation at its registered office, a copy of the process, notice, or demand. Service on the secretary of state is returnable in not less than 30 days notwithstanding a shorter period specified in the process, notice, or demand.

Sec. 36. Minnesota Statutes 1980, Section 303.07, is amended to read:

303.07 [~~INITIAL LICENSE FEE FEES.~~]

*Subdivision 1. [INITIAL FEE.] At the time of making application for a certificate of authority the foreign corporation making such the application shall pay to the state treasurer the sum of ~~\$125~~ \$150 as an initial license fee.*

*Subd. 2. [ANNUAL FEE.] The secretary of state shall collect an annual license fee from each foreign corporation holding a certificate of authority to transact business in this state. A foreign corporation shall pay \$15 per \$100,000 or fraction thereof of its Minnesota taxable net income for the last taxable year ending prior to the payment of the fee. If the taxable year ended less than 75 days before the date the fee is received by the secretary of state, the taxable net income from the preceding taxable year shall determine the fee. In no event shall the annual license fee be less than \$30. The corporation shall pay this fee by April 1 of each year.*

Sec. 37. Minnesota Statutes 1980, Section 303.13, Subdivision 1, is amended to read:

Subdivision 1. [FOREIGN CORPORATION.] A foreign corporation shall be subject to service of process, as follows:

(1) By service thereof on its registered agent;

(2) When any foreign corporation authorized to transact business in this state fails to appoint or maintain in this state a registered agent upon whom service of process may be had, or whenever any registered agent cannot be found at its registered office in this state, as shown by the return of the sheriff of the county in which the registered office is situated, or whenever any corporation withdraws from the state, or whenever the certificate of authority of any foreign corporation is revoked or canceled, service may be made by delivering to and leaving with the secretary of state, or with any deputy or clerk in the corporation department of his office, three copies thereof and a fee of \$10 \$15; provided, that after a foreign corporation withdraws from the state, pursuant to section 303.16, service upon the corporation may be made pursuant to the provisions of this section only when based upon a liability or obligation of the corporation incurred within this state or arising out of any business done in this state by the corporation prior to the issuance of a certificate of withdrawal.

(3) If a foreign corporation makes a contract with a resident of Minnesota to be performed in whole or in part by either party in Minnesota, or if a foreign corporation commits a tort in whole or in part in Minnesota against a resident of Minnesota, such acts shall be deemed to be doing business in Minnesota by the foreign corporation and shall be deemed equivalent to the appointment by the foreign corporation of the secretary of the state of Minnesota and his successors to be its true and lawful attorney upon whom may be served all lawful process in any actions or proceedings against the foreign corporation arising from or growing out of the contract or tort. Process shall be served in duplicate upon the secretary of state, together with a fee of \$10 \$15 and the secretary of state shall mail one copy thereof to the corporation at its last known address, and the corporation shall have 20 days within which to answer from the date of the mailing, notwithstanding any other provision of the law. The making of the contract or the committing of the tort shall be deemed to be the agreement of the foreign corporation that any process against it which is so served upon the secretary of state shall be of the same legal force and effect as if served personally on it within the state of Minnesota.

Sec. 38. Minnesota Statutes 1980, Section 303.14, Subdivision 1, is amended to read:

Subdivision 1. [FILED WITH SECRETARY OF STATE; CONTENTS.] Between January first and April first, in each year, every foreign corporation which holds a certificate of authority shall make and file with the secretary of state a report for the ~~next preceding~~ *previous* calendar year, setting forth:

(1) the name of the corporation and the state or country under the laws of which it is organized;

(2) if the name of the corporation does not end with the word "Corporation" or the word "Incorporated," or the abbreviation "Inc.," or does not contain the word "Company" or the abbreviation "Co." not immediately preceded by the word "and" or the character "&," then the name of the corporation



with the word or abbreviation which it has agreed to add thereto for use in this state;

(3) the date of its incorporation and the period of its duration;

(4) the address of its principal office in the state or country under the laws of which it is organized;

(5) the address of its registered office in this state and the name of its registered agent at such address;

(6) the names and respective addresses of its directors and officers;

(7) A statement of the aggregate number of shares having par value and of shares without par value which it has authority to issue, itemized by classes and series;

(8) A statement of the aggregate number of its issued or allotted shares having par value and of shares without par value, itemized by classes and series;

(9) A statement expressing in dollars the value of all the property owned by the corporation, wherever located, and the value of all its property located within this state;

(10) A statement expressing in dollars the gross receipts of the corporation in such calendar year derived from its business operations wherever transacted, and the gross receipts of the corporation in such calendar year derived from its business operations transacted, in whole or in part, within this state; and

(11) such additional information as may be necessary or appropriate to enable the secretary of state to determine the additional license fee, if any, payable by such the corporation.

The information required by clauses (7) to (9) shall be given as of the close of the next preceding calendar year;

(8) a statement of the corporate taxable net income as stated in its Minnesota corporate income tax return that was due in the previous year; and

(9) the fee required by section 303.07, subdivision 2. This fee shall be submitted with the annual report.

Sec. 39. Minnesota Statutes 1980, Section 303.14, Subdivision 3, is amended to read:

Subd. 3. [FORMS.] Such *The* annual report shall be made on forms prescribed by the secretary of state, in two separable parts, one part setting forth the facts required by subdivision 1, clauses (1) to ~~(8)~~ (6), and the other part the facts required by subdivision 1, clauses ~~(9)~~ (7), ~~(10)~~ (8), and ~~(11)~~ (9); such *the* report shall be executed, acknowledged and verified by the president or vice-president and by the treasurer, an assistant treasurer, secretary or an assistant secretary of the corporation; or, if the corporation is in the hands of a receiver or trustee, such *the* report shall be executed on behalf of the corporation and verified by such *the* receiver or trustee.

Sec. 40. Minnesota Statutes 1980, Section 303.14, Subdivision 5, is amended to read:

Subd. 5. [DIVULGENCE OF CONTENTS FORBIDDEN.] It shall be un-

lawful for the secretary of state or any other public official or employee to divulge or otherwise make known in any manner any of the particulars with reference to the value of the property owned by such corporation or the amount of the gross receipts of such corporation taxable net income set forth or disclosed as a part of any annual report. Nothing herein shall be construed to prohibit the inspection of the full reports by officials and employees of this state in the performance of their duties with respect to license fees due from the corporation making such the report. Any person violating any of the prohibitions of this subdivision shall be guilty of a gross misdemeanor.

Sec. 41. Minnesota Statutes 1980, Section 303.16, Subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF APPLICATION.] The application for withdrawal shall set forth:

(1) the name of the corporation and the state or country under the laws of which it is organized;

(2) that it has no property located in this state and has ceased to transact business therein;

(3) that its board of directors has duly determined to surrender its authority to transact business in this state;

(4) that it revokes the authority of its registered agent in this state to accept service of process;

(5) the address to which the secretary of state shall mail a copy of any process against the corporation that may be served upon him;

(6) that it will pay to the state treasurer the amount of any additional license fees properly found by the secretary of state to be then due from such corporation; and

(7) such additional information as may be required or demanded by the secretary of state to enable him to determine the additional license fees, if any, payable by such the corporation, the determination thereof to be made in the manner provided by section 303.15, except that in computing such additional license fee the amount to be used as the value of the property of the corporation located within this state shall be the highest amount or value of such property at any time in the calendar year in which the application for withdrawal is filed 303.07, subdivision 2.

Sec. 42. Minnesota Statutes 1980, Section 303.16, Subdivision 4, is amended to read:

Subd. 4. [APPROVAL; FILING.] Such The application for withdrawal shall be delivered to the secretary of state. Upon receipt thereof he shall examine the same, and if he finds that it conforms to the provisions of this chapter, he shall, when all license fees, filing fees, and other charges have been paid as required by law, file the same in his office and shall issue and record a certificate of withdrawal, and shall thereupon transmit such certificate, together with a fee of \$1, to the county recorder of the county in which the registered office of the corporation in this state is situated, and the county recorder shall record such certificate for such fee. Upon the issuance of such the certificate, the authority of the corporation to transact business in this state shall cease.

Sec. 43. Minnesota Statutes 1980, Section 303.17, Subdivision 4, is amended to read:

Subd. 4. [CERTIFICATE OF REVOCATION.] Upon revoking ~~such the~~ certificate of authority, the secretary of state shall:

(1) Issue a certificate of revocation, in duplicate; *and*

(2) ~~Transmit one of such certificates to the county recorder of the county in which the registered office of the corporation in this state is situated, and the county recorder shall record the same without any fee therefor; and~~

(3) Mail to ~~such the~~ corporation, at its principal office in the state or country under the laws of which it is organized, a notice of ~~such the~~ revocation, accompanied by ~~one such a~~ certificate of revocation, and mail to ~~such the~~ corporation, at its registered office in this state, a notice of ~~such the~~ revocation.

Sec. 44. Minnesota Statutes 1980, Section 303.18, Subdivision 3, is amended to read:

Subd. 3. [JUDGMENT OF CANCELATION.] The attorney general shall cause two certified copies of the judgment canceling a certificate of authority to be delivered to the secretary of state. The secretary of state shall file one copy in his office, and shall transmit the other copy to the ~~county recorder of the county in which the registered office of the corporation in this state is situated. The county recorder shall record the same without any fee therefor.~~

Sec. 45. Minnesota Statutes 1980, Section 303.19, Subdivision 2, is amended to read:

Subd. 2. [FEE.] If the certificate of authority was revoked by the secretary of state pursuant to section 303.17, the corporation shall pay to the state treasurer \$200 \$250 before it may be reinstated.

If the certificate of authority was canceled by a judgment pursuant to section 303.18, the corporation shall pay to the state treasurer \$500 before it may be reinstated.

Sec. 46. Minnesota Statutes 1980, Section 303.19, Subdivision 3, is amended to read:

Subd. 3. [CERTIFICATE OF REINSTATEMENT.] Upon the filing of ~~such the~~ application and upon payment of all penalties, fees and charges required by law, not including, ~~however,~~ an initial license fee or additional license fees to the extent that ~~the same they have theretofore previously~~ been paid by ~~such the~~ corporation, the secretary of state shall reinstate the license of ~~such the~~ corporation; ~~and shall issue and record a certificate of reinstatement and shall transmit such certificate, together with a fee of \$1, to the county recorder of the county in which the registered office of the corporation in this state is situated. The county recorder shall record such certificate for such fee.~~

Sec. 47. Minnesota Statutes 1980, Section 303.21, is amended by adding a subdivision to read:

Subd. 3. [OTHER INSTRUMENTS.] *A fee of \$20 shall be paid to the secretary of state for filing any instrument required or permitted to be filed under the provisions of this chapter. The fee shall be paid at the time of the filing of the instrument.*

Sec. 48. Minnesota Statutes 1980, Section 303.22, is amended to read:

**303.22 [APPLICABLE TO PRESENT CORPORATIONS.]**

Except as in this section otherwise provided, this chapter shall be applicable to all foreign corporations heretofore or hereafter transacting business in this state.

Any foreign corporation licensed to transact business in this state when this chapter became effective, which thereafter obtains a certificate of authority, pursuant to the provisions of this section, may continue to transact business in this state pursuant to ~~such~~ the certificate of authority, using the name under which it was, on the effective date of this chapter, licensed to transact business in this state, whether or not the use of ~~such~~ the name is in violation of the provisions of section 303.05.

Nothing herein contained shall be construed to exempt ~~such~~ the foreign corporation from the obligation of making annual reports and paying additional license fees in accordance with the provisions of this chapter.

~~In computing any additional license fees for such corporation there shall be credited all license fees paid by such corporation to this state under this chapter and under any prior laws relating to the admission of foreign corporations to do business in this state.~~

Sec. 49. Minnesota Statutes 1980, Section 303.23, Subdivision 1, is amended to read:

Subdivision 1. [PRIMA FACIE EVIDENCE; RECORDING.] Any certificate issued by the secretary of state pursuant to the provisions of this chapter, and copies of ~~such~~ the certificates certified by him, shall be prima facie evidence of the matters stated therein ~~and, except certificates issued pursuant to subdivision 2, may be recorded in the office of the county recorder of any county in this state.~~

Sec. 50. Minnesota Statutes 1980, Section 308.06, Subdivision 4, is amended to read:

Subd. 4. The original articles of incorporation, or a certified copy of them, verified by the affidavits of two of the incorporators, shall be filed with the secretary of state and a copy, certified and verified as above required, shall be recorded in the office of the county recorder of the county in which the principal place of business of the association is located. For filing the articles of incorporation, or amendments to them, with the secretary of state a fee of \$10 \$15 shall be paid to the secretary of state.

Sec. 51. Minnesota Statutes 1980, Section 308.85, is amended to read:

**308.85 [FEES.]**

For filing articles of incorporation, or amendments thereto, any association organized under sections ~~308.53~~ 308.29 to 308.84 shall pay \$10 \$15.

Sec. 52. Minnesota Statutes 1980, Section 317.04, Subdivision 2, is amended to read:

Subd. 2. [ELECTION TO REJECT.] (1) When there are members with voting rights, election by a corporation to reject the provisions of sections 317.01 to 317.25 shall be by a resolution (a) approved by the board of directors

at a meeting duly called for the purpose of considering it; and (b) adopted at a subsequent annual, regular, or special meeting, of which a notice stating the purpose has been duly given, by a majority vote of all members of record entitled to vote.

(2) When there are no members with voting rights, election by a corporation to reject the provisions of sections 317.01 to 317.25 shall be by a resolution adopted by a majority vote of all the directors entitled to vote at a special meeting of the board of directors, notice having been duly given.

(3) Within 15 months after April 21, 1951, the corporation shall file a copy of the adopted resolution to reject, certified by the president or vice president and the secretary or assistant secretary, accompanied by a filing fee of \$5 \$15, in the office of the secretary of state, and shall file a copy thereof, duly certified by the secretary of state, for record, accompanied by the required recording fee, in the office of the county recorder of the county in which the principal place of business of the corporation is located.

(4) The election to reject sections 317.01 to 317.25 becomes effective upon the filing for record of a copy of the adopted resolution, duly certified by the secretary of state, in the office of the county recorder only if the resolution is filed for record within the 15 month period prescribed in clause (3).

Sec. 53. Minnesota Statutes 1980, Section 317.04, Subdivision 3, is amended to read:

Subd. 3. [ELECTION TO ACCEPT.] (1) Whether or not a domestic corporation has elected to reject under subdivision 2, it may at any time accept and come under the provisions of sections 317.01 to 317.25 by adopting a resolution of acceptance by a majority vote of all the directors entitled to vote at a special meeting of the board of directors, notice having been duly given, and by certifying and filing the resolution in the manner prescribed by subdivision 2, clause (3), for effecting a rejection. For filing a resolution of acceptance the secretary of state shall collect a fee of \$10 \$15.

(2) The election to accept sections 317.01 to 317.25 becomes effective upon the filing for record (a) of a copy of the adopted resolution to accept, together with articles of incorporation and amendments thereto with the secretary of state, and (b) of the resolution to accept, duly certified by the secretary of state, with the county recorder of the county in which the principal place of business of the corporation is located.

Sec. 54. Minnesota Statutes 1980, Section 317.36, is amended to read:

317.36 [AGREEMENT, FILING, RECORDING; CERTIFICATE ISSUED.]

(1) Upon execution of the agreement of merger or consolidation, the agreement and required copies shall be delivered to the secretary of state at his office, accompanied by the fees prescribed by section 317.67.

(2) If the secretary of state finds that the agreement conforms to law, and the prescribed fees have been paid, he shall endorse his approval upon the agreement and each copy, file and record the original of the agreement in his office, and issue a certificate of merger or a certificate of consolidation and incorporation, as the case may be appropriate. The secretary of state shall file and record a copy of the certificate in his office. He shall retain a sufficient number

of the remaining copies of the agreement to enable him to comply with clause (3). He shall return the remaining copies bearing the endorsement of his approval, together with the certificate of merger or the certificate of consolidation and incorporation, to the single corporation.

(3) The secretary of state shall file for record a copy of the agreement, certified as required by section 317.35, clause (2), in the office of the county recorder of the county in which each constituent corporation had its registered office and in the county in which the single corporation has its registered office.

Sec. 55. Minnesota Statutes 1980, Section 317.42, Subdivision 3, is amended to read:

Subd. 3. [FILING, RECORDING.] When a domestic corporation merges or consolidates with a foreign corporation pursuant to the law of a state or place other than this state, the single corporation shall file for record a copy of the agreement of merger or consolidation, certified by the proper official of such the state or place, accompanied by the fees prescribed by section 317.67, in the office of the secretary of state of this state. ~~The secretary of state shall file for record a certified copy of the agreement of merger or consolidation in the office of the county recorder of each county in this state in which the registered office of a constituent domestic corporation was located.~~

Sec. 56. Minnesota Statutes 1980, Section 317.67, Subdivision 2, is amended to read:

Subd. 2. ~~In addition to the fees prescribed by subdivision 1,~~ The secretary of state shall collect a fee of \$10 \$15 for filing any instrument that is required to be filed under this chapter.

Sec. 57. Minnesota Statutes 1980, Section 330.01, Subdivision 1, is amended to read:

Subdivision 1. (a) The county auditor may license any person having the qualifications specified in clause (b) of this subdivision as an auctioneer. ~~Such~~ The license shall be issued by the auditor and shall authorize the licensee to conduct the business of an auctioneer in the state of Minnesota for the period of one year. It shall be recorded by the auditor in a book kept for that purpose. Before ~~such~~ the license is issued the applicant shall pay into the county treasury a fee of \$15 \$20. The auditor shall, not later than the 15th day of the following month, transmit a copy of the license to the secretary of state together with \$5 \$10 of the fee, which shall be deposited in the general fund.

(b) A natural person is qualified to be licensed as an auctioneer if 18 years of age or over and a resident of the county of application for at least six months immediately preceding the date of application. No copartnership, association or corporation may be licensed as an auctioneer. However, nothing in this subdivision shall be construed as preventing auctioneers who are duly licensed in accordance with the provisions of this chapter, from combining in associations, copartnerships, or corporations, provided that each and every member of ~~such~~ these associations or copartnerships and each and every person or agent conducting auction sales on behalf of ~~such~~ these corporations is a duly licensed auctioneer as provided in this chapter. Nothing herein shall be construed to apply to a person selling at an auction property owned by him for at least six months.

Sec. 58. Minnesota Statutes 1980, Section 345.32, is amended to read:

**345.32 [PROPERTY HELD BY BANKING OR FINANCIAL ORGANIZATIONS OR BY BUSINESS ASSOCIATIONS.]**

The following property held or owing by a banking or financial organization or by a business association is presumed abandoned:

(a) Any demand, savings or matured time deposit made in this state with a banking organization, together with any interest or dividend thereon, excluding contracted service charges which may be deducted for a period not to exceed one year, unless the owner has, within ~~seven~~ five years:

(1) increased or decreased the amount of the deposit, or presented the pass-book or other similar evidence of the deposit for the crediting of interest; or

(2) corresponded in writing with the banking organization concerning the deposit; or

(3) otherwise indicated an interest in the deposit as evidenced by a memorandum on file with the banking organization; or

(4) received tax reports or regular statements of the deposit by mail from the banking or financial organization regarding the deposit. Receipt of the statement by the owner should be presumed if the statement is mailed first class by the banking or financial organization and not returned; or

(5) acted as provided in paragraphs (1), (2), (3) and (4) of this subsection in regard to another demand, savings or time deposit made with the banking or financial organization.

(b) Any funds or dividends deposited or paid in this state toward the purchase of shares or other interest in a business association where the stock certificates or other evidence of interest in the business have not been issued, or in a financial organization, and any interest or dividends thereon, excluding contracted service charges which may be deducted for a period not to exceed one year, unless the owner has within ~~seven~~ five years:

(1) increased or decreased the amount of the funds or deposit, or presented an appropriate record for the crediting of interest or dividends; or

(2) corresponded in writing with the financial organization concerning the funds or deposit; or

(3) otherwise indicated an interest in the funds or deposit as evidenced by a memorandum on file with the financial organization; or

(4) received tax reports or regular statements of the deposit or accounting by mail from the financial organization or business association regarding the deposit. Receipt of the statement by the owner should be presumed if the statement is mailed first class by the financial organization or business association and not returned.

(c) Any sum, excluding contracted service charges which may be deducted for a period not to exceed one year, payable on checks certified in this state or on written instruments issued in this state on which a banking or financial organization or business association is directly liable, including, by way of illustration but not of limitation, drafts, money orders and traveler's checks, that has been outstanding for more than ~~seven~~ five years from the date it was

payable, or from the date of its issuance if payable on demand, or, in the case of traveler's checks, has been outstanding for more than 15 years from the date of its issuance, unless the owner has within ~~seven~~ five years, or within 15 years in the case of traveler's checks, corresponded in writing with the banking or financial organization or business association concerning it, or otherwise indicated an interest as evidenced by a memorandum on file with the banking or financial organization or business association.

(d) Any funds or other personal property, tangible or intangible, removed from a safe deposit box or any other safekeeping repository in this state on which the lease or rental period has expired due to nonpayment of rental charges or other reason, that have been unclaimed by the owner for more than ~~seven~~ five years from the date on which the lease or rental period expired.

(1) If the amount due for the use or rental of a safe deposit box has remained unpaid for a period of six months, the bank, savings bank, trust company, savings and loan, or safe deposit company shall, within 60 days of the expiration of that period, send by certified mail, addressed to the renter or lessee of the safe deposit box, directed to the address standing on its books, a written notice that, if the amount due for the use or rental of the safe deposit box is not paid within 60 days after the date of the mailing of the notice, it will cause the safe deposit box to be opened and its contents placed in one of its general safe deposit boxes.

(2) Upon the expiration of 60 days from the date of mailing the notice, and in default of payment within the 60 days of the amount due for the use or rental of the safe deposit box, the bank, savings bank, trust company, savings and loan, or safe deposit company, in the presence of its president, vice-president, secretary, treasurer, assistant secretary, assistant treasurer or superintendent, or such other person as specifically designated by its board of directors, and of a notary public not in its employ, shall cause the safe deposit box to be opened and the contents thereof, to be removed and sealed by the notary public in a package, upon which he shall mark the name of the renter or lessee and also the estimated value of the contents of the safe deposit box and, in the presence of one of the bank officers listed above, the notary public shall place the package in one of the bank's general safe deposit boxes and set out the proceedings in a certificate under his official seal, which shall be delivered to the bank, savings bank, trust company, savings and loan, or safe deposit company.

(3) The bank, savings bank, trust company, savings and loan, or safe deposit company shall hold the contents of abandoned safe deposit boxes until they are claimed by the owner or the bank turns them over to the state treasurer pursuant to chapter 345.

Sec. 59. Minnesota Statutes 1980, Section 345.33, is amended to read:

**345.33 [UNCLAIMED FUNDS HELD BY LIFE INSURANCE CORPORATIONS.]**

(a) Unclaimed funds, as defined in this section, held and owing by a life insurance corporation shall be presumed abandoned if the last known address, according to the records of the corporation, of the person entitled to the funds is within this state. If a person other than the insured or annuitant is entitled to the funds and no address of such person is known to the corporation or if it is not definite and certain from the records of the corporation what person is entitled



to the funds; it is presumed that the last known address of the person entitled to the funds is the same as the last known address of the insured or annuitant according to the records of the corporation.

(b) "Unclaimed funds," as used in this section, means all moneys held and owing by any life insurance corporation unclaimed and unpaid for more than ~~seven~~ five years after the moneys became due and payable as established from the records of the corporation under any life or endowment insurance policy or annuity contract which has matured. A life insurance policy not matured by actual proof of the death of the insured is deemed to be matured and the proceeds thereof are deemed to be due and payable if such policy was in force when the insured attained the limiting age under the mortality table on which the reserve is based, unless the person appearing entitled thereto has within the preceding ~~seven~~ five years, (1) assigned, readjusted or paid premiums on the policy, or subjected the policy to loan, or (2) corresponded in writing with the life insurance corporation concerning the policy. Moneys or drafts otherwise payable according to the records of the corporation are deemed due and payable although the policy or contract has not been surrendered as required.

Sec. 60. Minnesota Statutes 1980, Section 345.34, is amended to read:

345.34 [DEPOSITS HELD BY UTILITIES.]

Any deposit held or owing by any utility made by a subscriber after January 1, 1960, to secure payment for, or any sum paid in advance for, utility services to be furnished in this state, excluding any charges that may lawfully be withheld, that has remained unclaimed by the person appearing on the records of the utility entitled thereto for more than ~~seven years~~ one year after the termination of the services for which the deposit or advance payment was made is presumed abandoned.

Sec. 61. Minnesota Statutes 1980, Section 345.37, is amended to read:

345.37 [PROPERTY HELD BY FIDUCIARIES.]

All intangible personal property and any income or increment thereon, held in a fiduciary capacity for the benefit of another person is presumed abandoned unless the owner has, within ~~seven~~ five years after it becomes payable or distributable, increased or decreased the principal, accepted payment of principal or income, corresponded in writing concerning the property, or otherwise indicated an interest as evidenced by a memorandum on file with the fiduciary if:

(a) the property is held by a banking organization or a financial organization or by a business association organized under the laws of or created in this state; or

(b) it is held by a business association, doing business in this state, but not organized under the laws of or created in this state, and the records of the business association indicate that the last known address of the person entitled thereto is in this state; or

(c) it is held in this state by any other person.

Sec. 62. Minnesota Statutes 1980, Section 345.38, is amended to read:

345.38 [PROPERTY HELD BY STATE COURTS AND PUBLIC OFFICERS AND AGENCIES.]

Subdivision 1. All intangible personal property held for the owner by any court, public corporation, public authority or public officer of this state, or a political subdivision thereof, that has remained unclaimed by the owner for more than ~~seven~~ *five* years is presumed abandoned except as provided in section 524.3-914.

Subd. 2. This section shall not apply to property held for persons while residing in public correctional or other institutions. As to such persons, said property shall be presumed abandoned if it has remained unclaimed by the owner for more than ~~seven~~ *five* years after such residence ceases.

Subd. 3. All intangible personal property held for the owner by any government or political subdivision or agency, that has remained unclaimed by the owner for more than ~~seven~~ *five* years is presumed abandoned and is reportable pursuant to section 345.41, if:

(a) the last known address as shown on the records of the holder of the apparent owner is in this state; or

(b) no address of the apparent owner appears on the records of the holder; and

(1) the last known address of the apparent owner is in this state; or

(2) the holder is domiciled in this state and has not previously transferred the property to the state of the last known address of the apparent owner.

Sec. 63. Minnesota Statutes 1980, Section 345.39, is amended to read:

345.39 [MISCELLANEOUS PERSONAL PROPERTY HELD FOR ANOTHER PERSON.]

All intangible personal property, not otherwise covered by sections 345.31 to 345.60, including any income or increment thereon, but excluding any charges that may lawfully be withheld, that is held or owing in this state in the ordinary course of the holder's business and has remained unclaimed by the owner for more than ~~seven~~ *five* years after it became payable or distributable is presumed abandoned. Property covered by this section includes, but is not limited to: (a) unclaimed wages or worker's compensation; (b) deposits or payments for repair or purchase of goods or services; (c) credit checks or memos, or customer overpayments; (d) unidentified remittances, unrefunded overcharges; (e) unpaid claims, unpaid accounts payable or unpaid commissions; (f) unpaid mineral proceeds, royalties or vendor checks; and (g) credit balances, accounts receivable and miscellaneous outstanding checks.

Sec. 64. Minnesota Statutes 1980, Section 352.04, Subdivision 2, is amended to read:

Subd. 2. [EMPLOYEE CONTRIBUTIONS.] The employee contribution to the fund shall be an amount equal to ~~four~~ *3.73* percent of salary, beginning with the first full pay period after ~~June 30, 1973~~ *December 31, 1981*; *provided, however, that for the period beginning with the first full pay period after December 31, 1981, and ending with the last full pay period before July 1, 1982, the contribution shall be an amount equal to 3.46 percent of salary.* These contributions shall be made by deduction from salary in the manner provided in subdivision 4.

Sec. 65. Minnesota Statutes 1980, Section 352.04, Subdivision 3, is

amended to read:

Subd. 3. [EMPLOYER CONTRIBUTIONS.] The employer contribution to the fund shall be an amount equal to the total amount deducted from the salaries of employees on each payroll abstract, plus an additional ~~two~~ 1.87 percent of salary beginning with the first full pay period after ~~June 30, 1973~~ December 31, 1981; *provided, however, that for the period beginning with the first full pay period after December 31, 1981, and ending with the last full pay period before July 1, 1982, the contribution shall be an amount equal to 3.46 percent of salary plus an additional 1.74 percent of salary.* The employer contribution shall be made in the manner provided in subdivisions 5 and 6.

Sec. 66. Minnesota Statutes 1980, Section 352.92, Subdivision 1, is amended to read:

Subdivision 1. [EMPLOYEE CONTRIBUTIONS.] Beginning with the first full pay period after ~~June 30, 1973~~ December 31, 1981, in lieu of employee contributions payable under section 352.04, subdivision 2, contributions by covered correctional employees shall be in an amount equal to ~~six~~ 4.89 percent of salary; *provided, however, that for the period beginning with the first full pay period after December 31, 1981, and ending with the last full pay period before July 1, 1982, the contribution shall be in an amount equal to 3.78 percent of salary.*

Sec. 67. Minnesota Statutes 1980, Section 352.92, Subdivision 2, is amended to read:

Subd. 2. [EMPLOYER CONTRIBUTIONS.] Beginning with the first full pay period after ~~June 30, 1973~~ December 31, 1981, in lieu of employer contributions payable under section 352.04, subdivision 3, the employer shall contribute for covered correctional employees (1) an amount equal to 1 1/2 times the deduction from salaries of covered correctional employees on each payroll abstract, plus (2) an additional amount of ~~five~~ 4.08 percent of salaries of covered correctional employees on each payroll abstract; *provided, however, that for the period beginning with the first full pay period after December 31, 1981, and ending with the last full pay period before July 1, 1982, the contribution shall be an amount equal to 5.66 percent of salaries of covered correctional employees on each payroll abstract plus an additional amount equal to 3.16 percent of salaries of covered correctional employees on each payroll abstract.*

Sec. 68. Minnesota Statutes 1981 Supplement, Section 352D.04, Subdivision 2, is amended to read:

Subd. 2. The moneys used to purchase shares under this section shall be the employee, ~~employer~~ and employer ~~additional~~ contributions as provided in ~~section 352.04, subdivisions 2 and 3~~ *this subdivision.*

(a) *The employee contribution shall be an amount equal to four percent of salary.*

(b) *The employer contribution shall be an amount equal to six percent of salary.*

*These contributions shall be made by deduction from salary in the manner provided in section 352.04, subdivisions 4, 5, and 6.*

Sec. 69. Minnesota Statutes 1980, Section 352D.09, Subdivision 7, is

amended to read:

Subd. 7. One-tenth of one percent of salary shall be deducted from the employee contributions authorized by section 352.04, subdivision 2, and one-tenth of one percent of salary from the employer contributions authorized by section 352.04, subdivision 3, clause (1) 352D.04, subdivision 2, to pay the administrative expenses of the unclassified program.

Sec. 70. Minnesota Statutes 1980, Section 473.408, Subdivision 3, is amended to read:

Subd. 3. [SPECIAL FARES.] In off-peak hours the commission and other operators shall charge the following reduced fares for transit service:

(a) not more than 20 cents plus any zone charges for all persons under the age of 18 holding an identification card issued by the commission;

(b) not more than ten cents for all persons 65 years of age and over holding a medicare card or other identification card authorized or approved by the commission; and

(c) not more than one-half of the full fare for all handicapped persons, as defined by the commission.

Any person qualifying for a reduced fare pursuant to clause (b) whose income is below 150 percent of poverty guidelines established by the federal community services administration may qualify for exemption from the fare otherwise required to be paid under clause (b). The person may qualify for exemption by certifying income level on a form provided by the commission. The commission shall issue an annual pass to persons who qualify for exemption and shall require the persons to requalify annually. The commission shall make appropriate certification forms available by mail and at the offices and information centers maintained by the commission.

Sec. 71. Minnesota Statutes 1981 Supplement, Section 473.446, Subdivision 1, is amended to read:

Subdivision 1. [TAXATION WITHIN TRANSIT TAXING DISTRICT.] For the purposes of sections 473.401 to 473.451 and the metropolitan transit system, except as otherwise provided in this subdivision the metropolitan transit commission shall levy each year upon all taxable property within the metropolitan transit taxing district, defined in subdivision 2, a transit tax consisting of:

(a) An amount equal to ~~1.72~~ two mills times the assessed value of all such property, the proceeds of which shall be used for payment of the expenses of operating transit and paratransit service;

(b) An additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1977, to which property taxes under this section have been pledged; and

(c) An additional amount necessary to provide full and timely payment of certificates of indebtedness, bonds, or other obligations issued 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 174.265, 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 174.265 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.

Sec. 72. Minnesota Statutes 1980, Section 540.152, is amended to read:

**540.152 [SERVICE OF PROCESS ON UNIONS, GROUPS OR ASSOCIATIONS.]**

The transaction of any acts, business or activities within the state of Minnesota by any officer, agent, representative, employee or member of any union or other groups or associations having officers, agents, members or property without the state on behalf of the union or other groups or associations or any of its members or affiliated local unions shall be deemed an appointment by the union or other groups or associations of the secretary of state of the state of Minnesota to be the true and lawful attorney of the union or other groups or associations, upon whom may be served all legal processes or notices in any action or proceeding against or involving the union or other groups or associations growing out of any acts, business or activities within the state of Minnesota resulting in damage or loss to person or property or giving rise to any cause of action under the laws of the state of Minnesota or to any matters or proceedings arising under the Minnesota Labor Relations Act. Such acts, business or activities shall be a signification of the agreement of the union or other groups or associations and its members that any process or notice in any action, matter or proceeding against or involving it, which is so served, shall be of the same legal force and validity as if served upon the union or other groups or associations and its members personally. Service of process or notice shall be made by filing a copy thereof in the office of the secretary of state, together with payment of a fee of ~~\$10~~ \$15 and together with an affidavit that no officer or managing agent of the union or other group or association has been found in this state ~~and thereupon~~. The service shall be sufficient service upon the union or other groups or associations and its members; ~~and~~. Notice of service and a copy of the process or notice shall, within ten days thereafter, be sent by mail by the person who caused it to be served on the union or other groups or associations at its last known address and an affidavit of compliance with the provisions of this chapter shall be filed with the court or other state agency or department before which the action, matter, or proceeding is pending.

Sec. 73. Minnesota Statutes 1980, Section 543.08, is amended to read:

**543.08 [SUMMONS, SERVICE UPON CERTAIN CORPORATIONS.]**

If a private domestic corporation has no officer within the state upon whom service can be made, of which fact the return of the sheriff that none can be found in his county shall be conclusive evidence, service of the summons upon it may be made by depositing two copies, together with a fee of ~~\$40~~ \$15 with the secretary of state, which shall be deemed personal service upon the corporation. One of the copies shall be filed by the secretary, and the other forthwith mailed by him to the corporation by *certified mail*, if the place of its main office is known to him or is disclosed by the files of his office.

If the defendant is a foreign insurance corporation, the summons may be served by two copies delivered to the insurance commissioner, who shall file one in his office and forthwith mail the other postage prepaid to the defendant at its home office.

Sec. 74. [REVIEW OF MANDATES.]

*During the 1982 legislative session, the health and welfare committees of the legislature shall review policies which have been established by the legislature and the state departments of health and public welfare which have the effect of mandating expenditure of county funds. The purpose of the study is to enable the legislature to revise state statutes and the departments to revise state rules to the extent necessary to provide more flexibility to counties, now under increasing fiscal constraints because of reductions in revenue. The legislative review shall include but not be limited to review of restrictions on county authority to reduce expenditures, including expenditures resulting from court-ordered social services and review of requirements which result from state standards for services established by licensing laws or rules.*

Sec. 75. [REPEALER.]

*Minnesota Statutes 1980, Sections 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; and 317.67, Subdivision 1; and Minnesota Statutes 1981 Supplement, Sections 3.965, Subdivision 6; and 362.453, are repealed.*

Sec. 76. [REPEALER.]

*Laws 1981, Chapter 354, Section 3, is repealed. So much of the appropriation made available by that law as is unexpended, is canceled.*

Sec. 77. [EFFECTIVE DATE.]

*Except as otherwise specifically provided in this article, this article is effective the day following final enactment. On the day following final enactment, sections 64 to 69 are effective retroactively to January 1, 1982. Sections 36, subdivision 2, 38 to 41, and 48 are effective February 1, 1982. Sections 14 to 16 are effective April 1, 1982. Section 71 is effective for taxes levied in 1982, payable in 1983 and thereafter.*

ARTICLE II

EDUCATION AIDS AND LEVIES

Section 1. [EDUCATION AID REDUCTIONS: SUMMARY.]

The sums set forth in the columns designated "APPROPRIATION REDUCTIONS" are reduced from the general fund appropriations to the department of education. The figures "1982" and "1983" when used in section 2 of this article mean that the appropriation reductions listed are from the appropriations for the fiscal years ending June 30, 1982 or June 30, 1983, respectively.

SUMMARY OF REDUCTIONS

	1982	1983
EDUCATION AIDS .....	(-0-)	(\$160,900,000)
	APPROPRIATION REDUCTIONS	
	1982	1983

Sec. 2. [APPROPRIATION REDUCTIONS.]

The general fund appropriations in Laws 1981, Chapter 358, as amended by

Laws 1981, First Special Session, Chapter 2, are reduced by the listed amounts. The appropriation reductions in this section are from the portion of the appropriation provided for the current year and not from the portion of the appropriation provided for the prior year.

(a) Foundation Aid ..... (-0-) (\$68,481,500)

The appropriation reduction in paragraph (a) represents four and nine-tenths percent of the formula allowance for foundation aid for fiscal year 1983 payable in fiscal year 1983, plus a reduction due to the one mill levy increase authorized by this article.

(b) Summer School ..... (-0-) (12,066,400)

(c) Transportation Aid ..... (-0-) (34,655,400)

The appropriation reduction in paragraph (c) represents:

(1) the appropriation provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358, Article II, Section 15, Subdivision 2, as amended by Laws 1981, First Special Session, Chapter 2, Section 9, Subdivision 2; plus  
(2) the proceeds of the two-mill levy authorized by this article; times (3) seven and one-half percent.

(d) Special Education Aid ..... (-0-) (7,076,000)

The appropriation reductions in paragraphs (d) to (k) represent seven and one-half percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358, as amended by Laws 1981, First Special Session, Chapter 2.

(e) Summer School Special Education Aid .... (-0-) (366,500)

(f) Handicapped Pupils Placed in  
Residential Facilities ..... (-0-) (47,300)

(g) Limited English Proficiency Pupils  
Program Aid ..... (-0-) (251,600)

(h) American Indian Language and  
Culture Program ..... (-0-) (33,500)

(i) Hearing Impaired Support  
Services Aid ..... (-0-) (3,000)

(j) Adult Education Aid ..... (-0-) (84,600)

(k) Community Education Aid ..... (-0-) (240,000)

(l) Post-Secondary Vocational  
Instructional Aids ..... (-0-) (3,949,900)

The appropriation reductions in paragraphs (l) to (p) represent eight percent of the appropriations provided for fiscal year 1983 payable in fiscal

year 1983 in Laws 1981, Chapter 358.

(m) Post-Secondary Vocational Supply Aid .....	(-0-)	(1,186,300)
(n) Post-Secondary Vocational Support Services Aid .....	(-0-)	(1,215,300)
(o) Post-Secondary Vocational Equipment Aid .....	(-0-)	(729,600)
(p) Post-Secondary Vocational Repair and Betterment Aid .....	(-0-)	(95,200)
(q) Adult Vocational Education Aid .....	(-0-)	(481,400)

The appropriation reductions in paragraphs (q) to (ll) represent a reduction of seven and one-half percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358.

(r) Adult Vocational Programs in Energy Management for Building Operators .....	(-0-)	(3,300)
(s) Veteran Farmers Cooperative Training Programs .....	(-0-)	(44,200)
(t) Secondary Vocational Education Aid .....	(-0-)	(1,348,300)
(u) Secondary Vocational Programs for Handicapped Children .....	(-0-)	(159,700)
(v) Health and Developmental Screening Programs .....	(-0-)	(80,600)
(w) Abatement Aid .....	(-0-)	(224,100)
(x) Capital Expenditure Equalization Aid .....	(-0-)	(28,200)
(y) Special Purpose Capital Expenditure Equalization Aid .....	(-0-)	(4,400)
(z) Educational Cooperative Service Units .....	(-0-)	(57,700)
(aa) Gifted and Talented Students .....	(-0-)	(40,800)
(bb) Alternative Grants .....	(-0-)	(11,300)
(cc) Council on Quality Education Venture Fund Grants .....	(-0-)	(38,300)
(dd) Early Childhood and Family Education Programs .....	(-0-)	(95,600)
(ee) Basic Support Grants for Library Services .....	(-0-)	(273,000)
(ff) Multi-County Library Systems .....	(-0-)	(11,600)
(gg) Nonpublic Educational Aids .....	(-0-)	(288,600)
(hh) Indian Education Programs .....	(-0-)	(11,300)
(ii) Chemical Use Programs .....	(-0-)	(62,000)
(jj) Extended Leaves of Absence .....	(-0-)	(118,100)



(kk) Part-time Teaching .....	(-0-)	(5,700)
(ll) Early Retirement Incentives .....	(-0-)	(135,400)
(mm) General Reduction .....	(-0-)	(26,894,300)

The commissioner of education shall apportion the reduction in paragraph (mm) among school districts, public library systems, multi-type library systems, educational cooperative service units, and regional management information systems in the same manner in which he apportioned the education aid reductions made in fiscal year 1981 pursuant to Minnesota Statutes 1980, Sections 16A.15, Subdivision 1, and 124.77, because funds in the state treasury were insufficient.

Sec. 3. Minnesota Statutes 1981 Supplement, 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 biennium 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 16A.153, 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).

~~Provided, however, no allotment pursuant to an appropriation for state aids, payments, reimbursements or fund transfers to or on behalf of school districts shall be reduced pursuant to this subdivision.~~ 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.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.2121, Subdivision 4, is amended to read:

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. *However, the equalizing factor for discretionary and replacement aids for the 1982-1983 school year shall be \$61,565.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 1, is amended to read:

Subdivision 1. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil

unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be \$1,333 for foundation aid for the 1981-1982 school year. The formula allowance shall be ~~\$1,416~~ \$1,346 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 2, is amended to read:

Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. The basic maintenance mill rate shall be .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~~ .024 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 124.2124, Subdivision 1, is amended to read:

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. *However*, for the 1981-1982 school year, ~~however~~, the replacement inflator shall equal 107 percent, *and for the 1982-1983 school year the replacement inflator shall equal 112 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.

Sec. 8. Minnesota Statutes 1981 Supplement, Section 124.2125, Subdivision 1, is amended to read:

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. *However, the discretionary allowance for the 1981-1982, however, school year shall equal \$64.48, and the discretionary allowance for the 1982-1983 school year shall equal \$138.52.*

Sec. 9. Minnesota Statutes 1981 Supplement, Section 124.225, Subdivision 8a, is amended to read:

Subd. 8a. [AID COMPUTATION.] *Beginning with the 1982-1983 school year a district's aid pursuant to this section for each school year 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 two mills 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 275.125, Subdivision 5, is amended to read:

Subd. 5. For school transportation services, a school district may levy an amount not to exceed the amount raised by a levy of ~~one mill two mills~~ times the adjusted assessed valuation of the taxable property of the district for the preceding year. A district may levy under this subdivision for the amount necessary to eliminate any projected deficit in the appropriated fund balance account for bus purchases in its transportation fund as of June 30 in the school year when the levy is recognized as revenue. A district may also levy for transportation costs or other related services which are approved by the commissioner as necessary because of extraordinary traffic hazards for the current fiscal year.

Sec. 11. [1981-1982 TRANSPORTATION AID.]

*For the 1981-1982 school year, a district's aid pursuant to Minnesota Statutes 1981 Supplement, Section 124.225, shall equal the district's aid entitlement per weighted FTE determined according to the provisions of Minnesota Statutes 1981 Supplement, Section 124.225, Subdivision 7a, times the total number of authorized weighted FTE's transported in the district in the 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 the 1981-1982 school year.*

Sec. 12. [RECERTIFICATION OF BASIC MAINTENANCE AND TRANSPORTATION LEVIES.]

Subdivision 1. [RECERTIFICATION PERMITTED.] *Notwithstanding the provisions of Minnesota Statutes, Chapters 124 and 275 or any other law to the contrary, by January 22, 1982, a school district may recertify the basic maintenance levy authorized in Minnesota Statutes, Section 275.125, Subdivision 2a, and the transportation levy authorized in Minnesota Statutes, Section 275.125, Subdivision 5, for taxes assessed in 1981, payable in 1982, as provided in this section.*

Subd. 2. [ADDITIONAL AMOUNT OF BASIC MAINTENANCE LEVY.] *The school district may add an amount to the basic maintenance levy up to the lesser of:*

(a) *the difference between*

(1) *the product of*

(A) *the estimated number of actual pupil units, as defined in Minnesota Statutes, Section 124.2121, Subdivision 3, Clause (a), in the district in the 1982-1983 school year, times*

(B) *\$1,346, and*

(2) *the amount already certified in 1981 by the district for basic maintenance purposes; or*

(b) *one mill times the 1980 adjusted assessed valuation of the district.*

*A district in which the basic maintenance levy was computed under the provisions of Minnesota Statutes, Section 275.125, Subdivision 2e, shall not recertify its basic maintenance levy.*

**Subd. 3. [ADDITIONAL AMOUNT OF TRANSPORTATION LEVY.]**  
*The school district may add an amount to the transportation levy up to one mill times the 1980 adjusted assessed valuation of the district.*

**Sec. 13. [DECEMBER, 1981 AND JANUARY, 1982 EDUCATION AID PAYMENTS SUSPENDED.]**

*Notwithstanding the provisions of Minnesota Statutes, Sections 16A.15 and 124.11, or any other law to the contrary, the commissioner of education may suspend payment of some or all state aids, payments, reimbursements and fund transfers from some or all school districts, public library systems, multi-type library systems, educational cooperative service units or regional management information systems in the months of December, 1981 and January, 1982. The commissioner may consider the cash flow requirements of each individual recipient when determining whether to suspend payments of any aid, payments, reimbursements or fund transfers.*

**Sec. 14. [CERTIFICATION.]**

*Within ten days of final enactment of this act, with respect to December, 1981 payments, and within ten days of the suspension of January, 1982 payments, the commissioner of education shall certify to each recipient the amount of aids, payments, reimbursements, or fund transfers suspended pursuant to section 13, and shall announce the date by which payment of the suspended amount shall be made. The commissioner shall issue a certificate of unpaid aids for the certified amount to be paid no later than June 30, 1982.*

**Sec. 15. [REPAYMENT BY END OF FISCAL YEAR.]**

*Notwithstanding any law to the contrary, by June 30, 1982, the commissioner of finance shall draw warrants in favor of school districts, public library systems, multi-type library systems, educational cooperative service units or regional management information systems for any of the state aids, payments, reimbursements and fund transfers that were suspended by the commissioner of education pursuant to section 13.*

**Sec. 16. [FOUNDATION AID APPROPRIATION FOR FISCAL YEARS 1984 AND 1985.]**

*The total amount appropriated for foundation aid for the biennium ending June 30, 1985 shall not exceed the total amount appropriated for foundation aid for the biennium ending June 30, 1983.*

**Sec. 17. [MINIMUM AID LIMITATION.]**

*Notwithstanding any law to the contrary, for the purpose of computing the minimum aid guarantee pursuant to Minnesota Statutes 1981 Supplement, Section 124.2126, Subdivision 2, for the 1982-1983 school year, a qualifying district's basic foundation aid shall be computed using a foundation aid formula allowance of \$1346 and a basic maintenance mill rate of .023.*

Sec. 18. [REVIEW OF MANDATES.]

*During the 1982 regular session, the education committees of the legislature shall review mandates to school districts established by the legislature and the state board of education. It is the intention of the legislature to revise these statutes and rules to provide more flexibility to school districts because of increasing fiscal constraints resulting from reductions in revenue. The mandates which the legislature shall review shall include at least the following: eligibility requirements for receiving certain categorical aids; restrictions on the school district's use of particular funds, including transfers from the capital outlay fund; restrictions on the school district's authority to raise revenue; and restrictions on the school district's authority to reduce expenditures in certain areas.*

Sec. 19. [REPEALER.]

*Minnesota Statutes 1981 Supplement, Sections 124.20, Subdivision 3; and 275.125, Subdivision 2f, are repealed.*

Sec. 20. [EFFECTIVE DATE.]

*Sections 1 to 9 and 11 to 19 are effective the day following final enactment. Section 10 is effective for levies certified in 1982 payable 1983.*

### ARTICLE III

#### INCOME TAX

Section 1. Minnesota Statutes 1981 Supplement, 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 *beginning February 1, 1982* at the rate of ~~12~~ 20 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.

Subd. 2. When an extension of time has been granted by the commissioner, interest shall be paid *beginning February 1, 1982* at the rate of ~~12~~ 20 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 *beginning February 1, 1982* at the rate of ~~12~~ 20 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.

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 ~~12~~ 20 percent per annum *beginning February*

1, 1982.

*Subd. 5. The rates of interest or amount in lieu of interest contained in subdivisions 1 to 4 shall be adjusted by the commissioner of revenue not later than October 15 of 1982 and any year thereafter if the adjusted prime rate charged by banks during September of that year, rounded to the nearest full percent, is at least a full percentage point more or less than the interest rate which is then in effect. The adjusted rate of interest or amount in lieu of interest shall be equal to the adjusted prime rate charged by banks, rounded to the nearest full percent, and shall become effective on January 1 of the immediately succeeding year. For purposes of this subdivision, the term "adjusted prime rate charged by banks" means the average predominant prime rate quoted by commercial banks to large businesses, as determined by the Board of Governors of the Federal Reserve System.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; 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, 1980.

The term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income 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 subdivision. For estates and trusts the adjusted gross income shall be their federal taxable income 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 subdivision and with the modification that the federal deduction for personal exemptions for trusts and estates shall not be allowed.

(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, sections 131, 133, 134, 141,

152, 156, 157, 405, and 543 of P.L. 95-600, and section 2 of P.L. 96-608 (relating to pensions, individual retirement accounts, deferred compensation plans, the sale of a residence and to conservation payments to farmers) including the amendments made to these sections in P.L. 96-222 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.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1980, and as amended by sections 302(b) and 501 to 509 of Public Law Number 97-34, shall be in effect for taxable years beginning after December 31, 1980 including 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. The provisions of P.L. 96-471 (relating to installment sales) and sections 501 to 507, of the Economic Recovery Tax Act of 1981, Public Law Number 97-34 shall be effective at the same time that they become effective for federal income tax purposes.

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) A business casualty loss if the taxpayer elected to deduct the loss on the current year's federal income tax return but had deducted the loss on the previous year's Minnesota income tax return;

(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 amount of the federal income tax overpayment shall be reported only to the extent that the amount resulted in a reduction of the tax imposed by this chapter.

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, combined, or separate Minnesota income tax returns. In the case of combined or 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 combined or 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) 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);

(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 For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981, the amount allowed under section 167 of the Internal Revenue Code;

(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~~ 40 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;

(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under section 290.08, subdivision 25;

(20) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10); ~~and~~

(21) To the extent excluded from federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of contributions made by the city manager or administrator which is equal to the amount which would have been the city manager's or administrator's employee contribution pursuant to section 353.27, subdivision 2, if he were a member of the public employees retirement association; *and*

(22) *For taxable years beginning after December 31, 1980 but before January 1, 1983; in the case of section 179 property within the meaning of the Internal Revenue Code of 1954, the amount allowed as a deduction under section 179 of the Internal Revenue Code.*

(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~~ 60 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 or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether the amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, 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) 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, 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;

(18) Minnesota exempt-interest dividends as provided by subdivision 27;

(19) A business casualty loss which the taxpayer elected to deduct on the current year's Minnesota income tax return but did not deduct on the current year's federal income tax return; and

(20) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);

(21) To the extent included in federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a)(21); and

(22) Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25;

(23) *Interest earned on a contract for deed entered into for the purchase of property for agricultural use if the rate of interest set in the contract is no more than eight percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who,*

together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property purchased under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(24) For the taxable year beginning after December 31, 1980, but before January 1, 1982, an amount equal to 85 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. For the taxable year beginning after December 31, 1981 but before January 1, 1983, 83 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. The depreciation adjustments made to basis in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981 shall be the depreciation adjustments made for federal income tax purposes under the Internal Revenue Code of 1954, as amended through December 31, 1981. Adoption of this provision shall not be construed as indicating the intent of the legislature to enact provisions authorizing amortization of the amount of depreciation not excludable under this clause; and

(25) For taxable years beginning after December 31, 1980 but before January 1, 1983, an amount equal to the deduction allowed under section 179 of the Internal Revenue Code of 1954 as amended through December 31, 1981.

(c) A modification affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954 shall be made.

In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under this chapter and at the close of the taxable year immediately preceding the effective election under this chapter 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 chapter.

(d) 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 chapter and 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 chapter.

(e) **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 (or as an offset against the sales price of property in determining gain or loss) in computing the taxable income of the estate or any person unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have the amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the 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. 3. Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 1, is amended to read:

Subdivision 1. [COMPUTATION, CORPORATIONS.] The privilege and income taxes imposed by this chapter upon corporations shall be computed by applying to their taxable net income in excess of the applicable deductions allowed under section 290.21 the ~~rate of~~ following rates:

(1) *On the first \$25,000, for the first taxable year beginning after December 31, 1981 and before January 1, 1983 nine percent and, for taxable years beginning after December 31, 1982, six percent; provided that, in the case of a corporation having taxable net income allocated to this state pursuant to the provisions of section 290.19 or 290.20, the amount of income subject to this rate shall be that proportion of \$25,000 which its income allocable to this state bears to its total taxable net income; and*

(2) *On the remainder, 12 percent.*

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 following rates 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.*

(1) *For taxable years beginning after December 31, 1981, but before January 1, 1983, seven percent;*

(2) *For taxable years beginning after December 31, 1982, but before Jan-*

uary 1, 1984, 3.5 percent.

On October 1, 1983 the commissioner of finance shall determine the amount of the state's unrestricted general fund balance at the close of the 1982-1983 biennium. If this amount is more than \$150,000,000, the commissioner shall reduce the rate of the surtax in effect for taxable years beginning after December 31, 1982 and before January 1, 1984, so that the amount of revenue raised by the surtax results in a fund balance of no more than \$150,000,000, provided that the rate so determined shall be rounded upward to the next one-tenth of one percent and no adjustment shall be required if the change in the rate of the surtax would be less than one-tenth of one percent.

Sec. 5. [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 entire amount of the additional tax imposed by section 4 for the year, 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, and trusts shall include the additional tax imposed by section 4.

Sec. 6. [290.068] [CREDIT FOR RESEARCH AND EXPERIMENTAL EXPENDITURES.]

Subdivision 1. [CREDIT ALLOWED.] In addition to the deduction provided in section 290.09, a credit shall be allowed equal to ten percent of research and experimental expenditures paid or incurred in Minnesota during the taxable year.

Subd. 2. [DEFINITION.] For purposes of this section "research and experimental expenditures" means expenditures incurred in Minnesota which qualify for the deduction provided in section 290.09, subdivision 18, to the extent the expenditures exceed the average of the three preceding taxable years' qualifying expenditures under section 290.09, subdivision 18, incurred in Minnesota. If the taxpayer has not conducted trade or business in Minnesota for the three preceding taxable years, the average expenditures incurred shall be determined by dividing the expenditures by the lesser number of complete prior taxable years. If there has been less than one prior taxable year of trade or business conducted in Minnesota the average expenditures for the three preceding taxable years shall be zero.

Subd. 3. [LIMITATION.] The credit for the taxable year shall not exceed \$300,000 or ten percent of the liability for tax, whichever is less. "Liability for tax" for purposes of this section means the tax imposed under this chapter for the taxable year reduced by the sum of the credits allowed under section 290.06, except the credit allowed under section 290.06, subdivision 13.

If the credit determined under subdivision 2 exceeds this limitation, the excess shall be a credit carryback to each of the three preceding taxable years and a credit carryover to each of the seven succeeding taxable years, provided the aggregate of the credit for the taxable year and any carryover and carryback credits shall not exceed \$300,000 or ten percent of the liability for tax, whichever is less. The entire amount of the excess unused credit for the taxable

*year shall be carried first to the earliest of the taxable years to which the credit may be carried and then to each successive year to which the credit may be carried.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 3, is amended to read:

Subd. 3. [INTEREST.] (a) All interest paid or accrued within the taxable year on indebtedness, except as hereinafter provided.

(b) Interest paid or accrued within the taxable year on indebtedness incurred or continued to purchase or carry obligations or securities the income from which is excludable from gross income under sections 290.01, subdivision 20 or 290.08, or shares of a regulated investment company which during the taxable year of the holder thereof distributes Minnesota exempt-interest dividends as defined in section 290.01, subdivision 27, or on indebtedness described in section 264(a)(2) and (3), (b) and (c) (relating to life insurance) of the Internal Revenue Code of 1954, as amended through December 31, 1980 shall not be allowed as a deduction.

(c) If personal property or educational services are purchased under a contract the provisions of section 163(b) of the Internal Revenue Code of 1954, as amended through December 31, 1980 shall apply.

(d) A cash basis taxpayer may elect to deduct interest as it accrues on a reverse mortgage loan as defined in section 47.58, subdivision 1, rather than when it is actually paid. This election must be made, if at all, in the first taxable year in which it is available to the cash basis taxpayer and, if made, shall be binding on the taxpayer for each subsequent taxable year until maturity of the loan.

(e) In the case of a taxpayer other than a corporation, the amount of interest on investment indebtedness allowable as a deduction shall be allowed and limited as set forth in section 163(d) of the Internal Revenue Code of 1954, as amended through December 31, 1980. The limitation prescribed in section 163(d)(1)(A) for married individuals who file separate returns shall also apply to married individuals who file separately on one return.

(f) A taxpayer may not deduct interest on indebtedness incurred or continued to purchase or carry obligations or shares, or to make deposits or other investments, the interest on which is described in section 116(c) of the Internal Revenue Code of 1954, as amended through December 31, 1980 to the extent such interest is excludable from gross income under section 116 of the Internal Revenue Code of 1954 as amended through December 31, 1980. *Interest and carrying costs in the case of straddles shall be treated as provided in section 263(g) of the Internal Revenue Code of 1954, as amended through December 31, 1981.*

Sec. 8. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 7, is amended to read:

Subd. 7. [DEPRECIATION.] (A) [CUMULATIVE DEPRECIATION.] (a) There shall be allowed as a depreciation deduction a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence):

(1) of property used in the trade or business, or

(2) of property held for the production of income.

(b) The term "reasonable allowance" as used in clause (a) shall include (but shall not be limited to) an allowance computed in accordance with regulations prescribed by the commissioner, under any of the following methods:

(1) the straight line method.

(2) the declining balance method, using a rate not exceeding twice the rate which would have been used had the annual allowance been computed under the method described in paragraph (1).

(3) the sum of the years-digits method, and

(4) any other consistent method productive of an annual allowance, which, when added to all allowances for the period commencing with the taxpayer's use of the property and including the taxable year, does not, during the first two-thirds of the useful life of the property, exceed the total of such allowances which would have been used had such allowances been computed under the method described in (2). Nothing in this clause (b) shall be construed to limit or reduce an allowance otherwise allowable under clause (a).

(c) *For purposes of this subdivision "reasonable allowance" shall not include the accelerated cost recovery system provisions of section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981, except as provided in this subdivision unless specifically authorized by legislation enacted after the final enactment of this section. In the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981, the term "reasonable allowance" as used in clause (a) shall mean 85 percent of the deduction allowed pursuant to section 168 of the Internal Revenue Code of 1954 for taxable years beginning after December 31, 1980 and before January 1, 1982; and 83 percent of the deduction allowed pursuant to section 168 of the Internal Revenue Code of 1954 for taxable years beginning after December 31, 1981 and before January 1, 1983.*

(d) Paragraphs (2), (3), and (4) of clause (b) shall apply only in the case of property (other than intangible property) described in clause (a) with a useful life of three years or more.

(1) the construction, reconstruction, or erection of which is completed after December 31, 1958, and then only to that portion of the basis which is properly attributable to such construction, reconstruction, or erection after December 31, 1958, or

(2) acquired after December 31, 1958, if the original use of such property commenced with the taxpayer and commences after such date.

(d) (e) Where, under regulations prescribed by the commissioner, the taxpayer and the commissioner have, after June 30, 1959, entered into an agreement in writing specifically dealing with the useful life and rate of depreciation of any property, the rate so agreed upon shall be binding on both the taxpayer and the commissioner in the absence of facts or circumstances not taken into consideration in the adoption of such agreement. The responsibility of establishing the existence of such facts and circumstances shall rest with the party initiating the modification. Any change in the agreed rate and useful life specified in the agreement shall not be effective for taxable years before the



taxable year in which notice in writing by certified mail is served by the party to the agreement initiating such change.

(e) (f) In the absence of an agreement under clause (d) containing a provision to the contrary, a taxpayer may at any time elect in accordance with regulations prescribed by the commissioner to change from the method of depreciation prescribed in clause (b) (2) to the method described in clause (b) (1).

(f) (g) The basis on which exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property shall be the adjusted basis provided in sections 290.131 to 290.139, 290.14 and 290.15 for the purpose of determining the gain on the sale or other disposition of such property *except that in the case of recovery property within the meaning of section 168 of the Internal Revenue Code as amended through December 31, 1981, for taxable years beginning after December 31, 1980 but before January 1, 1983, the depreciation adjustment to basis shall be the same as the depreciation adjustments under the Internal Revenue Code of 1954 as amended through December 31, 1981.*

(g) (h) In the case of property held by one person for life with remainder to another person, the deduction shall be computed as if the life tenant were the absolute owner of the property and shall be allowed to the life tenant. In the case of property held in trust the allowable deduction shall be apportioned between the income beneficiary and the trustee in accordance with the pertinent provisions of the instrument creating the trust, or, in the absence of such provisions, on the basis of the trust income allocable to each. In the case of an estate, the allowable deduction shall be apportioned between the estate and the heirs, legatees, and devisees on the basis of the income of the estate allocable to each.

(h) (i) In the case of buildings or other structures or improvements constructed or made on leased premises by a lessee, and the fixtures and machinery therein installed, the lessee alone shall be entitled to the allowance of this deduction.

(B) [FIRST YEAR DEPRECIATION.] (a) In the case of section 1 property, the term "reasonable allowance" as used in subdivision 7, may, at the election of the taxpayer, include an allowance, for the first taxable year for which a deduction is allowable under subdivision 7, to the taxpayer with respect to such property, of 20 percent of the cost of such property. *For taxable years beginning after December 31, 1980 and before January 1, 1983, in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981, the first year depreciation allowance shall be the allowance for federal income tax purposes under section 179 of the Internal Revenue Code of 1954, as amended through December 31, 1981.*

(b) If in any one taxable year the cost of section 1 property with respect to which the taxpayer may elect an allowance under (a) for such taxable year exceeds \$10,000, then (a) shall apply with respect to those items selected by the taxpayer, but only to the extent of an aggregate cost of \$10,000. In the case of a husband and wife who file a joint return under section 290.38 for the taxable year, the limitation under the preceding sentence shall be \$20,000 in lieu of \$10,000.

(c) (1) The election under this subdivision for any taxable year shall be made

within the time prescribed by law (including extensions thereof) for filing the return for such taxable year. The election shall be made in such manner as the commissioner may by regulations prescribe.

(2) Any election made under this subdivision may not be revoked except with the consent of the commissioner.

(d) (1) For purposes of this subdivision, the term "Section 1 property" means tangible personal property (excluding buildings and structures)

(A) of a character subject to the allowance for depreciation under subdivision 7.

(B) acquired by purchase after December 31, 1958, for use in a trade or business or for holding for production of income, and

(C) with a useful life (determined at the time of such acquisition) of six years or more.

(2) For purposes of paragraph (1), the term "purchase" means any acquisition of property, but only if

(A) the property is not acquired from a person whose relationship to the person acquiring it would result in the disallowance of losses under section 290.10(6),

(B) the property is not acquired by one component member of a controlled group from another component member of the same controlled group, and

(C) the basis of the property in the hands of the person acquiring it is not determined

(i) in whole or in part by reference to the adjusted basis of such property in the hands of the person from whom acquired, or

(ii) under section 290.14(4) (relating to property acquired from a decedent).

(3) For purposes of this subdivision, the cost of property does not include so much of the basis of such property as is determined by reference to the basis of other property held at any time by the person acquiring such property.

(4) This subdivision shall not apply to trusts.

(5) In the case of an estate, any amount apportioned to an heir, legatee, or devisee shall not be taken into account in applying (B) of this subdivision to section 1 property of such heir, legatee, or devisee not held by such estate.

(6) For purposes of (B) of this subdivision

(A) all component members of a controlled group shall be treated as one taxpayer, and

(B) the commissioner shall apportion the dollar limitation contained in such (B) among the component members of such controlled group in such manner as he shall by regulations prescribe.

(7) For purposes of paragraphs (2) and (6), the term "controlled group" has the meaning assigned to it by section 1563(a) of the Internal Revenue Code of 1954, as amended through December 31, 1979, except that, for such purposes, the phrase "more than 50 percent" shall be substituted for the phrase "at least 80 percent" each place it appears in section 1563(a)(1) of the Internal Revenue

Code of 1954, as amended through December 31, 1979.

Sec. 9. Minnesota Statutes 1981 Supplement, Section 290.091, is amended to read:

**290.091 [MINIMUM TAX ON PREFERENCE ITEMS.]**

In addition to all other taxes imposed by this chapter there is hereby imposed, a tax which, in the case of a resident individual, shall be equal to 40 percent of the amount of the taxpayer's minimum tax liability for tax preference items pursuant to the provisions of sections 55 to 58 and 443(d) of the Internal Revenue Code of 1954 as amended through December 31, 1980 except that for purposes of the tax imposed by this section, capital gain as defined in section 57(a) of the Internal Revenue Code shall not include that portion of any gain occasioned by sale, transfer or the granting of a perpetual easement pursuant to any eminent domain proceeding or threat thereof as described in section 290.13, subdivision 5. This modification shall apply to the years in which the gain or reduction in loss is actually included in federal adjusted gross income even though amounts received pursuant to the eminent domain proceedings were received in prior years. ~~In the case of a taxpayer other than a corporation, an amount equal to one half of the net capital gain for the taxable year shall be used as the definition of capital gain in place of the deduction determined under section 1202 of the Internal Revenue Code.~~ In the case of a resident individual, having preference items which could not be taken to reduce income from sources outside the state pursuant to section 290.17, subdivision 1, or any other taxpayer the tax shall equal 40 percent of that federal liability, multiplied by a fraction the numerator of which is the amount of the taxpayer's preference item income allocated to this state pursuant to the provisions of sections 290.17 to 290.20, and the denominator of which is the taxpayer's total preference item income for federal purposes.

Sec. 10. Minnesota Statutes 1980, Section 290.16, Subdivision 4, is amended to read:

Subd. 4. [DEDUCTIONS FOR CAPITAL GAINS.] If for any taxable year the net long-term capital gain exceeds the net short-term capital loss, ~~50~~ 60 percent of the amount of such excess shall be a deduction from gross income.

Sec. 11. Minnesota Statutes 1980, Section 290.16, Subdivision 15, is amended to read:

Subd. 15. [GAIN FROM DISPOSITIONS OF CERTAIN DEPRECIABLE PROPERTY.] For purposes of this subdivision "depreciable property" shall mean "Section 1245 property" as that phrase is defined in Section 1245(a) (3) of the Internal Revenue Code of 1954, as amended through December 31, 1979.

In determining net income of any corporate taxpayer, the gain realized from the disposition of "depreciable property" shall be treated in the same manner as is provided by Section 1245 of the Internal Revenue Code of 1954, as amended through December 31, 1979 and regulations adopted pursuant thereto *except that the determination shall be made using the basis computed under this chapter.*

Sec. 12. Minnesota Statutes 1980, Section 290.16, Subdivision 16, is amended to read:

Subd. 16. [GAIN FROM DISPOSITION OF CERTAIN DEPRECIABLE REALTY.] For purposes of this subdivision "depreciable realty" shall mean "Section 1250 realty" as that phrase is defined in Section 1250(c) of the Internal Revenue Code of 1954, as amended through December 31, 1979.

In determining net income of any corporate taxpayer, the gain realized from the disposition of "depreciable realty" shall be treated in the same manner as is provided by Section 1250 of the Internal Revenue Code of 1954, as amended through December 31, 1979, and regulations adopted pursuant thereto *except that the determination shall be made using the basis computed under this chapter.*

Sec. 13. Minnesota Statutes 1981 Supplement, Section 290.17, Subdivision 2, is amended to read:

Subd. 2. [OTHER TAXPAYERS.] In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:

(1) 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 290.25 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), *nor shall it apply to income from the operation of a farm which is subject to the provisions of clause (2)*. For the purposes of this clause, a trade or business located in Minnesota is carried on partly within and partly without this state if tangible personal property is sold by such trade or business and delivered or shipped to a purchaser located outside the state of Minnesota.

*If the trade or business carried on wholly or partly in Minnesota is part of a unitary business, the entire income of that unitary business shall be subject to apportionment under section 290.19. The term "unitary business" shall mean a number of business activities or operations which are of mutual benefit, dependent upon, or contributory to one another, individually or as a group. Unity shall be presumed whenever there is unity of ownership, operation, and use, evidenced by centralized management or executive force, centralized purchasing, advertising, accounting, or other controlled interaction. Unity of ownership will not be deemed to exist unless the corporation owns more than 50 percent of the voting stock of the other corporation.*

*The entire income of a unitary business, including all income from each activity, operation or division, shall be subject to apportionment as provided in section 290.19. None of the income of a unitary business shall be considered as derived from any particular source and none shall be allocated to any particular place except as provided by the applicable apportionment formula.*

In determining whether or not intangible property is employed in a unitary business carried on partly within and partly without this state so that income derived therefrom is subject to apportionment under section 290.19 the following rules and guidelines shall apply.

(a) Intangible property is employed in a business if the business entity owning intangible property holds it as a means of furthering the business operation of which a part is located within the territorial confines of this state.

(b) Where a business operation conducted in Minnesota, is owned by a business entity which carries on business activity outside of the state different in kind from that conducted within this state, and such other business is conducted entirely outside the state, it will be presumed that the two business operations are unitary in nature, interrelated, connected and interdependent unless it can be shown to the contrary.

(5) 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 290.08, subdivision 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, 409 or 409A 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. 14. Minnesota Statutes 1981 Supplement, Section 290.21, Subdivision 4, is amended to read:

Subd. 4. (a) 85 percent of dividends received by a corporation during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or when the trade or business of the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such other corporation, and the dividends were paid from income arising out of business done in this state by the corporation paying such dividends; but if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the remainder shall be allowed as a deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof; the burden shall be on the taxpayer of showing that the amount of remainder claimed as a deduction has been received from income arising out of business done in this state.

(b) if the trade or business of the taxpayer consists principally of the holding of the stocks and the collection of the income and gains therefrom, dividends received by a corporation during the taxable year from another corporation, if the recipient owns 80 percent or more of all the voting stock of such other corporation, from income arising out of business done in this state by the corporation paying such dividends; but, if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the dividends shall be allowed as deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof. The burden shall be on the taxpayer of showing that the amount of dividends claimed as a deduction has been received from income arising out of business done in this state.

(c) The dividend deduction provided in this subdivision shall be allowed only with respect to dividends that are included in a corporation's Minnesota

taxable net income for the taxable year.

*(d) In the case of a corporation, which is permitted or required to file a combined report under section 290.34, subdivision 2, dividends shall be excluded from the income of the recipient to the extent the dividends are already included as income on the combined report.*

Sec. 15. Minnesota Statutes 1980, Section 290.34, Subdivision 2, is amended to read:

Subd. 2. [AFFILIATED OR RELATED CORPORATIONS, CONSOLIDATED STATEMENTS.] When a corporation which is required to file an income tax return is affiliated with or related to any other corporation through stock ownership by the same interests or as parent or subsidiary corporations, or has its income regulated through contract or other arrangement, the commissioner of revenue may permit or require such ~~consolidated statements combined report~~ as, in his opinion, are necessary in order to determine the taxable net income received by any one of the affiliated or related corporations. *For purposes of computing either the arithmetic average or weighted apportionment formulas under section 290.19, subdivision 1 for each corporation involved, the numerator of the fraction shall be that corporation's sales, property, or payroll in Minnesota and the denominator shall be the total sales, payroll, and property of all the corporations shown on the combined report. The combined report shall reflect the income of the entire unitary business as provided in section 290.17, subdivision 2, clause (4). The combined report shall reflect income only from corporations created or organized in the United States or under the laws of the United States or of any state. Specifically, it is the intent of the legislature to adopt the combined reporting method provided in *Butler Brothers v. McColgan*, 111 P. 2d 334, and 315 U.S. 501, and *Edison California Stores v. McColgan*, 183 P. 2d 16 and to treat all income as business income to the maximum extent allowable under *Mobil Oil Corporation v. Commissioner of Taxes of Vermont*, 445 U.S. 425. This subdivision shall not apply to insurance companies whose income is determined under section 290.35.*

Sec. 16. Minnesota Statutes 1980, Section 290.361, Subdivision 2, is amended to read:

Subd. 2. [COMPUTATION OF TAXABLE NET INCOME.] The taxable net income shall be computed in the manner provided by this chapter except that in the case of national and state banks: (a) the ~~rate~~ rates shall be 42 percent as established in section 290.06, subdivision 1; (b) the basic date for the purpose of computing gain or loss and depreciation shall be January 1, 1940, instead of January 1, 1933; (c) property consisting of investments in bonds, stocks, notes, debentures, mortgages, certificates, or any evidence of indebtedness, and any property acquired in liquidation thereof when such property is held for investment or for sale, shall not be deemed to be capital assets; and (d) in computing net income there shall be allowable as a deduction from gross income, in addition to deductions otherwise provided for in this chapter, any dividend (not including any distribution in liquidation) paid, within the taxable year, to the United States or to any instrumentality thereof exempt from federal income taxes, on the preferred stock of the bank owned by the United States or such instrumentality.

Sec. 17. Minnesota Statutes 1981 Supplement, Section 290.53, Subdivision

1, is amended to read:

Subdivision 1. [FAILURE TO PAY TAX.] If any tax imposed by this chapter is not paid within the time herein specified for the payment thereof, or within 30 days after final determination of an appeal to the tax court relating thereto *if the taxpayer is not required to pay the amount in dispute pending appeal under section 18*, there shall be added thereto a specific penalty equal to ten percent of the amount so remaining unpaid. Such penalty shall be collected as part of said tax, and the amount of said tax not timely paid, together with said penalty shall bear interest at the rate specified in section 270.75 from the time such tax should have been paid until paid. Interest accruing upon the tax due as disclosed by the return or upon the amount determined as a deficiency from the date prescribed for the payment of the tax (if the tax is payable in installments, from the date the installment or installments become due and payable under the provisions of section 290.45, subdivision 1) shall be added to the tax and be collected as a part thereof. Where an extension of time for payment has been granted under section 290.45, subdivision 2, interest shall be paid at the rate specified in section 270.75 from the date when such payment should have been made if no extension had been granted, until such tax is paid. If payment is not made at the expiration of the extended period the penalties provided in this section shall apply.

Sec. 18. [290.531] [PAYMENT OF TAX PENDING APPEAL.]

*When a taxpayer appeals his tax liability under chapter 290 to the tax court, and the amount in dispute is more than \$4,000, the entire amount of the tax shall be paid at the time it is due unless permission to continue prosecution of the petition without payment is obtained as provided herein. The petitioner, upon ten days notice to the commissioner, may apply to the court for permission to continue prosecution of the petition without payment; and, if it is made to appear*

(1) *That the proposed review is to be taken in good faith;*

(2) *That there is probable cause to believe that the taxpayer may be held exempt from the tax or that the tax may be determined to be less than 50 percent of the amount due; and*

(3) *That it would work a substantial hardship upon petitioner to pay the tax,*

*the court may permit the petitioner to continue prosecution of the petition without payment, or may fix a lesser amount to be paid as a condition of continuing the prosecution of the petition.*

*Failure to make payment of the amount required when due shall operate automatically to dismiss the petition and all proceedings thereunder unless the payment is waived by an order of the court permitting the petitioner to continue prosecution of the petition without payment.*

Sec. 19. Minnesota Statutes 1980, Section 299.08, is amended to read:

299.08 [LIEN; PAYMENT OF TAX.]

The situs of royalty, for all purposes of this chapter, shall be in this state; and the tax herein provided for shall be a specific lien from the time the royalty accrues upon all and singular the right, title, and interest of the person to whom such royalty is payable, in and to the land, for permission to explore, mine,



take out, and remove ore on which the royalty is paid, and shall be a specific lien upon such royalties as they accrue. Every person paying royalty to another which is subject to tax hereunder, upon which the royalty tax has not been paid, shall withhold the amount of the tax upon such royalty and remit the same to the commissioner of revenue at the time the royalty is paid. Such payment shall operate to discharge to that extent the liability of the person paying such royalty to the royalty recipient. In addition thereto, he shall withhold any additional amounts certified pursuant to section 299.012, subdivision 3. At the time of such payment he shall file with the commissioner of revenue a report thereof on forms to be prescribed by the commissioner of revenue. If any person paying royalty to another shall fail to withhold the tax thereon or the penalty imposed by section 299.06, after notice thereof as therein provided, and pay the same to the commissioner of revenue, he shall be liable for the amount of such tax and penalty, with interest at the rate of ~~42~~ 20 percent per annum, *adjusted as provided in section 1*, from the time the same should have been paid, to be recovered in an action by the attorney general for and on behalf of the state. The commissioner of revenue, may, upon petition of any royalty payor or recipient, upon such conditions as he may impose, permit the paying of the tax in one annual payment instead of as such royalty accrues, in which case such annual payment shall be made at such times as the commissioner of revenue directs, not later than June 30 of the year following the accrual of the royalty. No such extension of time shall be granted unless, as one of the conditions thereof, the royalty payor shall guarantee the payment of the tax.

In the event the royalty is paid in ore instead of in cash the tax provided for herein shall be a specific lien upon the ore apportioned to the royalty recipient; or, if such ore be not apportioned, upon the royalty recipient's interest in the ore mined, and such ore shall not be shipped from this state unless:

- (1) The royalty tax be paid; or
- (2) A bond be given to secure such payment, upon a form and with sureties approved by the commissioner of revenue, in an amount 25 percent in excess of his estimate of the tax; or
- (3) The estimated amount of the tax, such estimate to be made by the commissioner of revenue, be deposited with the state treasurer as security for such payment; or
- (4) The payment of the tax be guaranteed or secured in some other manner satisfactory to the commissioner of revenue.

Sec. 20. Minnesota Statutes 1980, Section 299.10, is amended to read:

**299.10 [PENALTY FOR NON-PAYMENT; COLLECTION OF DELINQUENT TAX.]**

If the tax herein provided for is not paid by July 15 of the year when due and payable a penalty of ten percent thereof shall immediately accrue and thereafter ~~one percent per month~~ 20 percent per annum, *adjusted as provided in section 1*, shall be added to such tax while it remains unpaid. On July 16, of each year, the commissioner of revenue shall deliver a certification of unpaid liability to the attorney general, whose duty it shall be to bring an action in the district court of Ramsey county for the amount of such tax, together with penalties, interest, and costs of the proceedings; and the judgment of the court, when so obtained and properly docketed, shall be a lien upon all right, title, and interest

of the taxpayer to the land upon which such tax is a lien from the time the same is docketed; and the lien shall continue without limitation, with interest at the rate of one percent per month, and the property may be sold in satisfaction of the judgment in the same manner as provided by law for the sale of property upon execution.

Sec. 21. Minnesota Statutes 1980, Section 340.492, is amended to read:

**340.492 [MANNER AND TIME OF PAYMENT; PENALTIES; DEPOSIT OF TAX PROCEEDS.]**

The commissioner of revenue shall issue rules adopting the reporting method for paying and collecting the excise tax on fermented malt beverages. The rules shall require reports to be filed with and the excise tax to be paid to the commissioner on or before the fifteenth day of the month following the month in which the importation into or the first sale is made in this state, whichever first occurs. If the excise tax is not paid when due, there shall be added to the amount of the tax as penalty a sum equivalent to ten percent thereof, and in addition thereto interest on the tax and penalty at the rate of ~~one percent a month or major portion thereof~~ 20 percent per annum, adjusted as provided in section 1, from the date the tax became due until paid. The commissioner shall deposit all moneys received in the funds as provided by section 340.47, subdivision 2.

Sec. 22. [EFFECTIVE DATE.] Sections 1 and 19 to 21 are effective February 1, 1982. The provision of section 2 relating to commodity tax straddles and section 7 are effective for taxable years beginning after December 31, 1980. The provisions of section 2 relating to the exclusion of dividend and interest income are effective for taxable years beginning after December 31, 1981. Section 2, clauses (a)(22), (b)(24), the portion of clause (a)(16) relating to recovery property, (b)(25), and sections 8, 11, and 12 are effective for property placed in service after December 31, 1980 in taxable years ending after that date. Section 2, clauses (a)(17), (b)(2), the portion of clause (a)(16) relating to gain from the sale or disposition of property and section 9 are effective for the sale or other disposition of property after June 30, 1982. Section 6 is effective for taxable years beginning after December 31, 1981. Section 10 is effective for the sale or other disposition of property after December 31, 1982. Sections 13, 14, and 15 are effective for income earned after December 31, 1981. Section 16 is effective for taxable years beginning after December 31, 1981. Sections 17 and 18 are effective for petitions filed after January 31, 1982.

## ARTICLE IV

### PROPERTY TAX

Section 1. Minnesota Statutes 1980, Section 121.904, is amended by adding a subdivision to read:

*Subd. 4a. [LEVY RECOGNITION; PAYABLE 1983.] (1) For taxes assessed in 1982, payable in 1983, all current levies of local taxes; including portions assumed by the state, shall be recognized as provided in this subdivision.*

*(2) One-third of the March and May property tax settlements shall be recognized as receivable and recorded as revenue in the same fiscal year during*

which collection normally takes place. These receivables shall be for use in the current fiscal year.

(3) Two-thirds of the March and May property tax settlements shall be recognized as receivable and shall be reserved for use in the fiscal year immediately following the fiscal year during which collection normally takes place.

(4) All of the October property tax settlements shall be recognized as receivable and recorded as revenue in the same fiscal year during which collection normally takes place. These receivables shall be for use in the current fiscal year.

Sec. 2. Minnesota Statutes 1980, Section 121.904, is amended by adding a subdivision to read:

*Subd. 4b. [LEVY RECOGNITION; PAYABLE 1984 AND THEREAFTER.] (1) Beginning with taxes assessed in 1983 payable in 1984, all current levies of local taxes, including portions assumed by the state, shall be recognized as provided in this subdivision.*

*(2) For the March and May property tax settlements, an amount equal to one-sixth of the levy certified for the current fiscal year shall be recognized as receivable and recorded as revenue for that fiscal year. These receivables shall be for use in the current fiscal year.*

*(3) The remainder of the March and May property tax settlements shall be recognized as receivable and shall be reserved for use in the fiscal year immediately following the fiscal year during which collection normally takes place.*

*(4) All of the October property tax settlements shall be recognized as receivable and recorded as revenue in the same fiscal year during which collection normally takes place. These receivables shall be for use in the current fiscal year.*

Sec. 3. [AID REDUCTIONS DUE TO TAX LEVY REVENUE RECOGNITION CHANGE.]

*Subdivision 1. [AUTHORIZATION.] Notwithstanding any law to the contrary, state aid due school districts in fiscal year 1983 for the 1982-1983 school year shall be reduced as provided in this section.*

*Subd. 2. [AMOUNT OF REDUCTION.] State aid due any school district in fiscal year 1983 for the 1982-1983 school year under the provisions enumerated in subdivision 3 shall be reduced by the amount the district levied for taxes assessed in 1982, payable in 1983, which is to be recognized as revenue in fiscal year 1983 pursuant to section 1. The district levy against which the reduction is applied shall not include any levy portions that are assumed by the state. For purposes of computing this state aid reduction, the amount levied by the district shall not include the amounts levied to make payments for bonds issued and for interest thereon; the amounts levied for repayment of debt service loans and capital loans; the amounts levied to pay the district's obligations under section 268.06, subdivision 25; and amounts levied pursuant to section 275.125, subdivisions 2d, 6a, 9a, 14a, and 20.*

*Subd. 3. [SUBTRACTION FROM AIDS.] The amount specified in subdivision 2 shall be subtracted from the following state aid payments in the order listed in fiscal year 1983:*

- (a) Foundation aid as authorized in section 124.212, subdivision 1;
- (b) Secondary vocational aid authorized in section 124.573;
- (c) Special education aid authorized in section 124.32;
- (d) Secondary vocational aid for handicapped children authorized in section 124.574;
- (e) Gifted and talented aid authorized in section 124.247;
- (f) Aid for pupils of limited English proficiency authorized in section 124.273;
- (g) Aid for improved learning programs authorized in section 124.251;
- (h) Aid for chemical use programs authorized in section 124.246;
- (i) Transportation aid authorized in section 124.225;
- (j) School lunch aid authorized in section 124.646;
- (k) Community education programs aid authorized in section 124.271;
- (l) Adult education aid authorized in section 124.26;
- (m) Capital expenditure equalization aid authorized in section 124.245;
- (n) Homestead credit payments authorized in section 273.13, subdivisions 6, 7, and 14a;
- (o) Taconite homestead credit payments authorized in section 273.135;
- (p) Wetlands credit authorized in section 273.115;
- (q) Native prairie credit authorized in section 273.116; and
- (r) Attached machinery aid authorized in section 273.138, subdivision 3.

The commissioner of education shall schedule the timing of the reductions from state aid payments specified in subdivision 2 in such a manner that will minimize the impact of this article on the cash flow needs of the school districts.

Subd. 4. [ACCOUNTING.] Notwithstanding any law to the contrary, the amount of the levy subtracted from state aid payments shall be recognized and reported on the school district books of account in the same way that the state aid payments would have been recognized and reported.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.2121, Subdivision 5, is amended to read:

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 as recognized pursuant to section 121.904 school year preceding that particular school year, and payable in the calendar year in which that school year begins.

#### Sec. 5. [CASH FLOW LOAN FUND.]

Subdivision 1. There shall be maintained in the state treasury a cash flow loan fund for administration of moneys to be received and disbursed as authorized in this section. The purpose of this fund is to alleviate the impact of

*altering the recognition of tax revenue pursuant to sections 1 and 3 on the cash flow needs of the school districts.*

*Subd. 2. [LOAN APPLICATIONS; REPAYMENTS.] The commissioner of education shall establish procedures for loan applications and criteria for determining increased cash flow needs of school districts caused by the altering of recognition of tax revenue. The commissioner shall approve or disapprove loan applications on the basis of need. Any loan made pursuant to this section shall constitute an advance to the district without interest. The school district shall repay the full amount of the loan by June 25, 1983.*

*Subd. 3. [APPROPRIATION.] There is appropriated from the general fund to the department of education for the cash flow loan fund the sum of \$15,000,000. This sum shall be transferred to the cash flow loan fund as needed.*

#### Sec. 6. [LEGISLATURE TO EVALUATE CASH FLOW.]

*Before July 1, 1982, the legislature intends to evaluate the effect of this article on the cash flow needs of school districts, and to reschedule the timing of payment of state aids and credits to school districts to the extent needed to ensure that the cash position of school districts is sufficiently favorable to ensure efficient operation.*

Sec. 7. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

*Subdivision 1a. [CERTIFIED LEVY.] Beginning with taxes assessed in 1983, payable in 1984, the certified levy for each calendar year shall equal one-sixth of the local revenue to be collected for the current fiscal year plus five-sixths of the local revenue to be collected for the following fiscal year. The total certified levy shall be computed as provided in this section.*

Sec. 8. Minnesota Statutes 1980, Section 276.11, is amended to read:

#### 276.11 [WHEN TREASURER SHALL PAY FUNDS.]

As soon as practical after each settlement in March, June, and November the county treasurer shall pay over to the state treasurer or the treasurer of any town, city, school district, or special district, on the warrant of the county auditor, all receipts arising from taxes levied by and belonging to the state, or to such municipal corporation, or other body, and deliver up all orders and other evidences of indebtedness of such municipal corporation or other body, taking triplicate receipts therefor. ~~He~~ *The treasurer* shall file one of the receipts with the county auditor, and shall return one by mail on the day of its reception to the clerk of the town, city, school district, or special district to which payment was made. The clerk shall preserve the receipt in ~~his~~ *the clerk's* office. Upon written request of the state, a municipal corporation or other public body, the county treasurer shall, to the extent practicable, make partial payments of amounts collected periodically in advance of the next settlement and distribution. Accompanying each payment shall be a statement prepared by the county treasurer designating the years for which taxes included in the payment were collected and, for each year, the amount of the taxes and any penalties thereon. The county treasurer shall pay, upon written request of the state, a municipal corporation or other public body ~~pay~~ *except school districts*, at least 70 percent of the estimated collection within 30 days after the settlement date.

*Within 15 days after the settlement date, the county treasurer shall pay to the treasurer of the school districts at least 70 percent of the estimated collections arising from taxes levied by and belonging to the school district. He The treasurer shall pay the balance of the amounts collected to the state or to a municipal corporation or other body within 60 days after the settlement date, provided, however, that after 45 days interest shall accrue at a rate of eight percent per annum to the credit of and shall be paid to the state, municipal corporation or other body. Interest shall be payable upon appropriation from the general revenue fund of the county and, if not paid, may be recovered by the state, municipal corporation, or other body, in a civil action.*

Sec. 9. Minnesota Statutes 1981 Supplement, Section 275.50, Subdivision 5, is amended to read:

Subd. 5. Notwithstanding any other law to the contrary for taxes levied in ~~1981~~ 1982 payable in ~~1982~~ 1983 and subsequent years, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, but only to the extent of the increase in levy for such judgments and out of court settlements over levy year 1970, taxes payable in 1971;

(b) pay the costs of complying with any written lawful order initially issued prior to January 1, 1977 by the state of Minnesota, or the United States, or any agency or subdivision thereof, which is authorized by law, statute, special act or ordinance and is enforceable in a court of competent jurisdiction, or any stipulation agreement or permit for treatment works or disposal system for pollution abatement in lieu of a lawful order signed by the governmental subdivision and the state of Minnesota, or the United States, or any agency or subdivision thereof which is enforceable in a court of competent jurisdiction. The commissioner of revenue shall in consultation with other state departments and agencies, develop a suggested form for use by the state of Minnesota, its agencies and subdivisions in issuing orders pursuant to this subdivision;

(c) pay the costs to a governmental subdivision for their minimum required share of any program otherwise authorized by law for which matching funds have been appropriated by the state of Minnesota or the United States, excluding the administrative costs of public assistance programs, to the extent of the increase in levy for the taxes payable year ~~1982~~ 1983 and subsequent years 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~~ of the previous year and only when the receipt of these matching funds is contingent upon the initiation or implementation of the project or program during ~~1982~~ the year in which the taxes are payable or those programs or projects approved by the commissioner;

(d) pay the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance

program authorized by law, and the costs of purchase or delivery of social services. Except for the costs of general assistance 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 in the previous year;

(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 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;

(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;

(m) pay the increased costs of municipal services provided to new private

industrial and nonresidential commercial development, to the extent that the extension of such services are not paid for through bonded indebtedness or special assessments, and not to exceed the amount determined as follows. The governmental subdivision may calculate the aggregate of:

(1) The increased expenditures necessary in preparation for the delivering of municipal services to new private industrial and nonresidential commercial development, but limited to one year's expenditures one time for each such development;

(2) The amount determined by dividing the overall levy limitation established pursuant to sections 275.50 to 275.56, and exclusive of special levies and special assessments, by the total taxable value of the governmental subdivision, and then multiplying this quotient times the total increase in assessed value of private industrial and nonresidential commercial development within the governmental subdivision. For the purpose of this clause, the increase in the assessed value of private industrial and nonresidential commercial development is calculated as the increase in assessed value over the assessed value of the real estate parcels subject to such private development as most recently determined before the building permit was issued. In the fourth levy year subsequent to the levy year in which the building permit was issued, the increase in assessed value of the real estate parcels subject to such private development shall no longer be included in determining the special levy.

The aggregate of the foregoing amounts, less any costs of extending municipal services to new private industrial and nonresidential commercial development which are paid by bonded indebtedness or special assessments, equals the maximum amount that may be levied as a "special levy" for the increased costs of municipal services provided to new private industrial and nonresidential commercial development. In the levy year following the levy year in which the special levy made pursuant to this clause is discontinued, one-half of the amount of that special levy made in the preceding year shall be added to the permanent levy base of the governmental subdivision;

(n) recover a loss or refunds in tax receipts incurred in non-special levy funds resulting from abatements or court action in the previous year pursuant to section 275.48;

(o) pay amounts required by law to be paid to pay the interest on and to reduce the unfunded accrued liability of public pension funds in accordance with the actuarial standards and guidelines specified in sections 356.215 and 326.216 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. 10. Minnesota Statutes 1981 Supplement, 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 for the taxes payable year ~~1982~~ 1983 and subsequent years 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. 11. Minnesota Statutes 1981 Supplement, Section 275.51, Subdivision 3e, is amended to read:

Subd. 3e. The property tax levy limitation for any governmental subdivision for the taxes payable year ~~1982~~ 1983 and subsequent years 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 in the previous year 1981 pursuant to the levy limitation calculated under Minnesota Statutes 1980, Section 275.51. *is determined.*

*For taxes payable in 1983 and subsequent years, (i) any amount levied pursuant to any law or special act enacted in 1981 which authorized a property tax levy in excess of the limitation imposed by this section shall be added to the amount levied, and (ii) any amount levied for indebtedness which the governmental subdivision elected to levy for taxes payable in 1982 within its levy limitation in lieu of the special levy provisions pursuant to Minnesota Statutes 1981, Section 275.51, Subdivision 3e, Clause (g) shall be subtracted from the amount levied.*

(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).

(e) 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) (b) 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 for the year prior to the year in which the taxes were levied and multiplied by the total number of homesteads within the governmental subdivision reported on the 1981 abstracts of tax lists for the year in which the taxes are levied, 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) and shall be used to make the calculation required by clause (e) (c). If the resulting figure is equal to or greater than the amount determined in clause (a) or (b), the resulting figure shall be used to make the calculation required by clause (e) (c).

(e) (c) The result of the calculation in clause (d) (b) is multiplied by 108 percent. The resulting figure is the maximum amount that the governmental subdivision may levy for the taxes payable year 1982 1983 and subsequent years for all purposes except special levies and special assessments.

(f) To the extent the levy of the metropolitan council or a regional development commission 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. 12. Minnesota Statutes 1981 Supplement, Section 477A.03, Subdivision 2, is amended to read:

Subd. 2. [LIMITATION ON APPROPRIATION; PROPORTIONATE REDUCTION.] The amount appropriated under subdivision 1 shall not exceed \$270,725,464 \$240,725,464 for calendar year 1982 and shall not exceed \$293,561,978 \$270,561,978 for calendar year 1983. If the limitations contained in this subdivision result in a reduction in the amounts determined pursuant to sections 477A.012 and 477A.013, 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. 13. [PRORATION OF 1982 AID PAYMENTS.]

Notwithstanding the provisions of Minnesota Statutes, Chapter 477A or any other law to the contrary, the reduction in state aids payable to local governments required under section 12 shall be effected by providing a pro rata reduction of the aids that would have been paid to each county and municipality under the provisions of Minnesota Statutes 1981 Supplement, Sections 477A.011 to 477A.014 if there had been no such reduction.

Sec. 14. [PROPERTY TAX REFUND REDUCTION.]

*For claims filed in 1982 based upon rent paid in 1981, the commissioner of revenue shall pay 92 percent of the credits allowable under section 290A.04, subdivisions 1, 2, and 2a. For purposes of this section, the commissioner shall not reduce the property tax refund of a claimant who is disabled or who had attained the age of 65 by June 1 of the year in which the property taxes were payable. The commissioner shall include with each refund a statement that the reduction is made pursuant to this section.*

Sec. 15. Laws 1981, First Special Session, Chapter 1, Article III, Section 3, Subdivision 6, is amended to read:

Subd. 6. [HOMESTEAD CREDIT.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota Statutes, Section 273.13, Subdivisions 6, 7, and 14a shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$436,800,000; and in fiscal year 1983, the appropriation shall not exceed ~~\$469,600,000~~ \$481,600,000. In the event that the sum of the county auditors' certifications exceeds ~~the appropriation~~ \$483,600,000, the certification amounts shall be proportionally reduced so that their sum equals ~~the appropriation~~ \$483,600,000. In any event, the sum of \$2,000,000 shall be subtracted from the amounts otherwise due to be paid from the appropriation for fiscal year 1983 to Hennepin, Ramsey, and St. Louis counties, allocated as follows: Hennepin county \$1,160,900, Ramsey county \$565,200, St. Louis county \$273,900. The reductions shall be applied one-sixth to each monthly payment July to December, 1982. The named counties shall apply at least one-half of this aid reduction to reduce county administrative costs rather than to reduce services provided directly to the public.

Sec. 16. [REPEALER.]

*Minnesota Statutes 1981 Supplement, Section 275.515, is repealed.*

Sec. 17. [EFFECTIVE DATE.]

*Sections 9 to 11 are effective for property taxes levied in 1982 and thereafter, payable in 1983 and thereafter. Section 14 is effective the day following final enactment.*

## ARTICLE V

### SALES TAX

Section 1. Minnesota Statutes 1981 Supplement, Section 297A.02, is amended to read:

297A.02 [IMPOSITION OF TAX.]

Except as otherwise provided in this chapter, there is hereby imposed an excise tax of four percent of the gross receipts from sales at retail, as hereinbefore defined, made by any person in this state, except that for sales at retail made after June 30, 1981 and prior to July 1, 1983, except sales of farm machinery, the rate shall be five percent.

*Notwithstanding the foregoing, the tax imposed hereby upon sales at retail through coin-operated vending machines shall be three percent of the gross receipts of such sales.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivi-

sion 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 Min-

nesota 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~~) (s) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.
- (~~u~~) (t) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.
- (~~v~~) (u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.
- (~~w~~) (v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.
- (~~x~~) (w) The gross receipt from the sale of residential heating fuels in the following manner:
- (i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;
  - (ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;
  - (iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.
- (y) (x) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group

of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of section 290.05, subdivision 1, clause (i).

~~(z)~~ (y) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:

(i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 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)~~ (z) 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 \$1,500 or more in May 1982 or in May of each subsequent year, shall 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 one-half of the estimated June liability to the commissioner and file the return on a form prescribed by the commissioner.*

*On or before August 25, 1982, or August 25 of each subsequent year, the vendor shall submit a return showing the actual June liability and paying any additional amount of tax not remitted in June. A penalty is hereby imposed equal to ten percent of the actual June liability less the amount remitted in June. However, the penalty shall not be imposed if the amount remitted in June equals the lesser of (a) 45 percent of the actual June liability, or (b) 50 percent of the preceding May's liability.*

Sec. 4. Minnesota Statutes 1980, Section 297A.39, Subdivision 1, is amended to read:

Subdivision 1. If any tax imposed by sections 297A.01 to 297A.44, or any portion thereof, is not paid within the time herein specified for the payment, or an extension thereof, or within 30 days after final determination of an appeal to the tax court relating thereto *if the taxpayer is not required to pay the amount in dispute pending appeal under section 5*, there shall be added thereto a specific penalty equal to ten percent of the amount remaining unpaid.

Sec. 5. [297A.391] [PAYMENT OF TAX PENDING APPEAL.]

*When a taxpayer appeals his tax liability under chapter 297A to the tax court, and the amount in dispute is more than \$4,000, the entire amount of the tax shall be paid at the time it is due unless permission to continue prosecution of the petition without payment is obtained as provided herein. The petitioner,*



upon ten days notice to the commissioner, may apply to the court for permission to continue prosecution of the petition without payment; and, if it is made to appear

(1) That the proposed review is to be taken in good faith;

(2) That there is probable cause to believe that the taxpayer may be held exempt from payment of the tax or that the tax may be determined to be less than 50 percent of the amount due; and

(3) That it would work a substantial hardship upon petitioner to pay the tax;

the court may permit the petitioner to continue prosecution of the petition without payment, or may fix a lesser amount to be paid as a condition of continuing the prosecution of the petition.

Failure to make payment of the amount required when due shall operate automatically to dismiss the petition and all proceedings thereunder unless the payment is waived by an order of the court permitting the petitioner to continue prosecution of the petition without payment.

#### Sec. 6. [EFFECTIVE DATE.]

Sections 1 and 2 are effective for sales made after January 31, 1982. Sections 4 and 5 are effective for petitions filed after January 31, 1982.

### ARTICLE VI

#### ESTATE TAX

Section 1. Minnesota Statutes 1981 Supplement, Section 291.005, Subdivision 1, is amended to read:

Subdivision 1. Unless the context otherwise clearly requires, the following terms used in this chapter shall have the following meanings:

(1) "Federal gross estate" means the gross estate of a decedent as valued and otherwise determined for federal estate tax purposes by federal taxing authorities pursuant to the provisions of the Internal Revenue Code.

(2) "Minnesota gross estate" means the federal gross estate of a decedent after (a) excluding therefrom any property included therein which has its situs outside Minnesota and (b) including therein any property omitted from the federal gross estate which is includable therein, has its situs in Minnesota, and was not disclosed to federal taxing authorities. The Minnesota gross estate shall be valued pursuant to the provisions of section 291.215, subdivision 1.

(3) "Personal representative" means the executor, administrator or other person appointed by the court to administer and dispose of the property of the decedent. If there is no executor, administrator or other person appointed, qualified, and acting within this state, then any person in actual or constructive possession of any property having a situs in this state which is included in the federal gross estate of the decedent shall be deemed to be a personal representative to the extent of the property and the Minnesota estate tax due with respect to the property.

(4) "Resident decedent" means an individual whose domicile at the time of his death was in Minnesota.

(5) "Nonresident decedent" means an individual whose domicile at the time

of his death was not in Minnesota.

(6) "Situs of property" means, with respect to real property, the state or country in which it is located; with respect to tangible personal property, the state or country in which it was normally kept or located at the time of the decedent's death; and with respect to intangible personal property, the state or country in which the decedent was domiciled at death.

(7) "Commissioner" means the commissioner of revenue or any person to whom the commissioner has delegated functions under this chapter.

(8) "Internal Revenue Code" means the United States Internal Revenue Code of 1954 as amended through ~~December 31, 1980~~ *December 31, 1981*.

Sec. 2. Minnesota Statutes 1980, Section 291.015, is amended to read:

291.015 [DETERMINATION OF MINNESOTA TAXABLE ESTATE.]

The Minnesota taxable estate of a decedent shall be the Minnesota gross estate less the sum of:

(1) The exemptions and deductions allowed pursuant to sections 291.05, 291.051, 291.065, 291.07, and 291.08; and

(2) The sum of ~~\$200,000, provided that, in the case of a nonresident decedent, this sum shall be an amount determined by multiplying \$200,000~~

*\$225,000 for decedents dying after June 30, 1982;*

*\$275,000 for decedents dying in 1983;*

*\$325,000 for decedents dying in 1984;*

*\$400,000 for decedents dying in 1985;*

*\$500,000 for decedents dying in 1986;*

*\$600,000 for decedents dying in 1987 and*

*thereafter,*

*multiplied by a fraction, not greater than one, the numerator of which shall be the value of the Minnesota gross estate and the denominator of which shall be the value of the federal gross estate.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 291.03, is amended to read:

291.03 [RATES.]

Subdivision 1. [GENERALLY.] The tax imposed shall be an amount equal to the greater of:

(1) A tax computed by applying to the Minnesota taxable estate the following prescribed rates:

~~7 percent on the first \$100,000;~~

~~8 percent on the next \$100,000 or part thereof;~~

~~9 percent on the next \$100,000 or part thereof;~~

~~10 percent on the next \$200,000 or part thereof first \$100,000,~~

~~11 percent on the next \$500,000 or part thereof,~~

~~12 percent on the excess over \$1,000,000, or~~

(2) A tax equal to the amount by which the maximum credit allowable under section 2011 of the Internal Revenue Code for state death taxes exceeds the aggregate amount of all estate, inheritance, legacy and succession taxes actually paid to other states of the United States in respect of any property subject to federal estate tax; provided that where the decedent is a nonresident the tax shall be in the same proportion of the maximum credit for state death taxes described herein as the Minnesota gross estate bears to the value of the federal gross estate.

Subd. 2. [INTENT.] It is hereby declared to be the intent and purpose of this section to obtain for Minnesota the benefit of not less than the maximum credit allowed for state death taxes under the federal estate tax law by imposing the tax provided in this section and the same shall be liberally construed to effect this purpose.

Subd. 3. [1982.] *In the case of a decedent dying after June 30, 1982, subdivision 1, clause (1), shall be applied by substituting for the rates prescribed therein the following rates:*

- 7 percent on the first \$75,000,
- 8 percent on the next \$100,000 or part thereof,
- 9 percent on the next \$100,000 or part thereof,
- 10 percent on the next \$200,000 or part thereof,
- 11 percent on the next \$500,000 or part thereof,
- 12 percent on the excess.

Subd. 4. [1983.] *In the case of a decedent dying in 1983, subdivision 1, clause (1), shall be applied by substituting for the rates prescribed therein the following rates:*

- 7 percent on the first \$25,000,
- 8 percent on the next \$100,000 or part thereof,
- 9 percent on the next \$100,000 or part thereof,
- 10 percent on the next \$200,000 or part thereof,
- 11 percent on the next \$500,000 or part thereof,
- 12 percent on the excess.

Subd. 5. [1984.] *In the case of a decedent dying in 1984, subdivision 1, clause (1), shall be applied by substituting for the rates prescribed therein the following rates:*

- 8 percent on the first \$75,000,
- 9 percent on the next \$100,000 or part thereof,
- 10 percent on the next \$200,000 or part thereof,
- 11 percent on the next \$500,000 or part thereof,
- 12 percent on the excess.

Subd. 6. [1985.] *In the case of a decedent dying in 1985, subdivision 1, clause (1), shall be applied by substituting for the rates prescribed therein the following rates:*

- 9 percent on the first \$100,000,
- 10 percent on the next \$200,000 or part thereof,
- 11 percent on the next \$500,000 or part thereof,
- 12 percent on the excess.

Subd. 7. [1986.] *In the case of a decedent dying in 1986, subdivision 1,*

clause (1), shall be applied by substituting for the rates prescribed therein the following rates:

- 10 percent on the first \$200,000,
- 11 percent on the next \$500,000 or part thereof,
- 12 percent on the excess.

Sec. 4. Minnesota Statutes 1980, Section 291.051, Subdivision 1, is amended to read:

Subdivision 1. For the purpose of section 291.015, clause (1), ~~and subject to subdivision 2 of this section,~~ the Minnesota taxable estate shall be determined by deducting from the Minnesota gross estate the value of any interest in property other than a terminable interest ~~as defined in~~ *for which no deduction is allowed under section 2056(b) of the Internal Revenue Code*, which passes or has passed from the decedent to his surviving spouse, but only to the extent that the interest is included in determining the value of the Minnesota gross estate and is not exempt from estate tax under sections 291.05 or 291.065. An interest in property shall be considered as passing from the decedent to his surviving spouse if it is considered as so passing under Section 2056(d)(c) of the Internal Revenue Code.

Sec. 5. Minnesota Statutes 1980, Section 291.09, Subdivision 1a, is amended to read:

Subd. 1a. In all instances in which a decedent dies after December 31, 1979 and before January 1, 1981 leaving a federal gross estate in excess of \$161,000 and in all instances in which a decedent dies after December 31, 1980 and before July 1, 1982 leaving a federal gross estate in excess of \$175,000, and the decedent has an interest in property with a situs in Minnesota, the personal representative shall submit to the commissioner, on a form prescribed by the commissioner, a Minnesota estate tax return.

*In the case of a decedent dying after June 30, 1982 who has an interest in property with a situs in Minnesota, the personal representative shall submit to the commissioner, on a form prescribed by the commissioner, a Minnesota estate tax return in the following instances:*

<i>In the case of a decedent dying in</i>	<i>A Minnesota estate tax return shall be filed if the federal gross estate equals or exceeds</i>
1982 .....	\$225,000
1983 .....	275,000
1984 .....	325,000
1985 .....	400,000
1986 .....	500,000
1987 and thereafter .....	600,000.

The return shall be accompanied by a federal estate tax return and shall contain a computation of the Minnesota estate tax due. The return shall be signed by the personal representative.

Sec. 6. Minnesota Statutes 1980, Section 291.132, Subdivision 4, is

amended to read:

Subd. 4. (1) If the personal representative fails to pay a tax or interest installment on time, unless it is shown that such failure is due to reasonable cause, the election is revoked and the entire amount of unpaid tax plus accrued interest is due and payable 90 days after the date on which the installment was payable. The commissioner is not required to notify the personal representative when an installment is due.

(2) In the event of a disposition or cessation of the special use property, as defined under section 2032A (c) (1) and ~~(7)~~ (6) of the Internal Revenue Code, the personal representative shall immediately notify the commissioner of such cessation, and the entire balance of the tax, plus accrued interest, attributable to that property is due and payable 90 days after the disposition or cessation.

(3) The personal representative may pay any part of the balance due prior to the installment dates elected, but, after nine months after death, may not elect new installment dates.

Sec. 7. [REPEALER.]

*Minnesota Statutes 1980, Section 291.051, Subdivisions 2 and 3, are repealed.*

Sec. 8. [EFFECTIVE DATE.]

*Sections 1 to 7 are effective for estates of decedents dying after June 30, 1982.*

## ARTICLE VII

### SHORT-TERM BORROWING

Section 1. Minnesota Statutes 1980, Section 16A.63, is amended to read:

16A.63 [MINNESOTA STATE BUILDING FUND.]

*Subdivision 1. [CREATION; USE.]* For the purpose of providing money to state agencies for the acquisition and betterment of public lands and other public improvements of a capital nature, the Minnesota state building fund is created as a separate bookkeeping account in the general books of account of the state. Proceeds of state bonds credited to this fund are appropriated for construction and other permanent improvement and shall be available until the purposes for which the appropriation was made have been accomplished or abandoned. None of such moneys shall be canceled. When the purpose of any such appropriation has been accomplished or abandoned, the authority to whom the appropriation was made shall so certify to the commissioner of finance. Thereupon the unexpended balance of such appropriation, unless transferred under authority of the appropriation act to another purpose therein designated, shall be transferred and credited to the state bond fund. Amounts so transferred and credited are appropriated for the purpose of reducing the amount of tax otherwise required to be levied for the state bond fund by Article XI, Section 7 of the Constitution.

*Subd. 2. [TEMPORARY FINANCING.]* In anticipation of the receipt of proceeds of state bonds to be credited to the Minnesota state building fund, the commissioner of finance may transfer amounts not in excess of the anticipated proceeds from the general fund to the Minnesota state building fund. Upon

*receipt of the state bond proceeds in anticipation of which a general fund transfer has been made, the commissioner of finance shall transfer from the Minnesota state building fund to the general fund an amount equal to the sum originally transferred from the general fund. There is annually appropriated to the commissioner of finance from the general fund and the Minnesota state building fund sums sufficient to effect the transfers authorized by this subdivision.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 16A.671, Subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] For the purpose of assuring that cash or cash equivalent assets will be available at all times during each biennium to pay all warrants drawn on the general fund pursuant to appropriations and allotments for expenditure for any purpose during that biennium, the governor may authorize the commissioner of finance to issue certificates of indebtedness in anticipation of the collection of taxes levied for and other revenues appropriated to the general fund, and to issue additional certificates to refund outstanding certificates or interest thereon, under the provisions of the constitution, article XI, section 6. Before certificates of indebtedness are sold and issued pursuant to any authorization, except for the purpose of refunding, the governor shall secure the recommendation of the legislative advisory commission as to the necessity thereof, the terms and conditions of the sale and issuance, and the maximum amount to be issued and outstanding under the authorization. When certificates of indebtedness are to be sold and issued pursuant to subdivision 5, clause (b) or (c), the governor shall secure a recommendation before the line of credit is established or the underwriting or placement agreement is entered into, but need not secure an additional recommendation for each issuance of certificates of indebtedness pursuant to that line of credit or agreement. The recommendation of the commission shall be advisory only. The failure of the commission to make a recommendation promptly is a negative recommendation. If there is no legislative advisory commission, the governor shall request an advisory recommendation from the executive council.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 16A.671, Subdivision 3, is amended to read:

Subd. 3. [LIMITATIONS OF AMOUNT.] The principal amount of certificates of indebtedness to be ~~sold and~~ issued at any time shall not exceed the smallest of the following:

(a) An amount which, with interest thereon to maturity, added to the then outstanding amount of certificates, less the amount thereof, if any, which will be paid from the proceeds, and interest thereon to maturity, will equal the then unexpended balance of all money which will be credited to the general fund during the current biennium under existing laws, as estimated by the commissioner of finance; or

(b) An amount which, with the principal amount of any outstanding certificates equals \$360,000,000; or

(c) The maximum current cash flow requirement.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 16A.671, Subdivision 5, is amended to read:

Subd. 5. [SALE.] Certificates of indebtedness ~~shall~~ may be sold by the commissioner of finance upon public advertisement for competitive bids, ~~except that or:~~

(a) They may be sold to the state board of investment without advertisement for bids, upon terms *at least as favorable as those* on which, in the judgment of the board, ~~investments direct obligations of the United States government of comparable maturities and security~~ can at the time be purchased from funds under its control, *including the special or dedicated funds described in clause (c) of subdivision 2, other than pension funds;*

(b) The commissioner may negotiate with a suitable bank or banks within or outside the state for a line of credit whereby, *for an agreed compensation,* certificates of indebtedness may be issued from time to time within an agreed period, at a fixed or variable interest rate and subject to redemption at par plus accrued interest at any time at the option of the commissioner; or

(c) The commissioner may negotiate with a firm or firms of underwriters *for the purchase of certificates of indebtedness* or to act as an agent in the placement of certificates of indebtedness ~~maturing on a date four months or less from the date of issue,~~ which may be sold to investors at a specified discount representing the interest included in the face amount payable at maturity, or at a stated interest rate on a stated principal amount, payable at maturity. *For the further security of the certificates of indebtedness the commissioner may negotiate a credit agreement pursuant to paragraph (b), providing for the payment thereof with interest at maturity, if necessary, by the issuance of new certificates of indebtedness to the bank or banks extending the credit.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 16A.671, is amended by adding a subdivision to read:

*Subd. 6a. [FISCAL AGENT BANK.] The commissioner may enter into an agreement with a suitable bank or banks located within or outside the state to authenticate, issue, pay principal and interest on, cancel or otherwise deal with certificates of indebtedness issued pursuant to this section, for an agreed compensation.*

Sec. 6. Minnesota Statutes 1980, Section 298.294, is amended to read:

298.294 [INVESTMENT OF FUND.]

The fund established by section 298.292 shall be invested pursuant to law and the net interest and dividends arising from the investment shall be included and become part of the fund; ~~provided that the governor may authorize the state treasurer to borrow an amount not exceeding 50 percent of the amount in the fund for a period terminating no later than December 31, 2001. The state treasurer, pursuant to the authorization, shall issue notes pledging the full faith and credit of the state for the purpose of repayment, and the notes shall bear interest at five percent per annum until paid.~~

Sec. 7. [REPEALER.]

*Minnesota Statutes 1980, Section 7.08, is repealed.*

Sec. 8. [EFFECTIVE DATE.]

*This article is effective the day following final enactment.*

Delete the title and insert:

“A bill for an act relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983 with certain conditions; providing for a deficiency in income maintenance appropriations; imposing and increasing fees; imposing various cost saving measures; requiring the board of regents of the university, the state university board, the community college board and the state board for vocational education to develop plans for declining enrollment; providing that parties to administrative hearings will bear the cost of court reporters under certain circumstances; authorizing attorney general to appear in civil weight enforcement actions; modifying certain procedures for appeals of workers' compensation orders; providing certain workers' compensation settlements are conclusively presumed reasonable; modifying approval by the commissioner of labor and industry of the settlement of certain workers' compensation claims; eliminating the requirement that the commissioner of veterans affairs provide certain grave markers; providing for a medical assistance drug formulary and fixed dispensing fee; changing eligibility standards for medical assistance; changing calculation of certain fees paid by foreign corporations; shortening time for abandonment of unclaimed property; reducing rate of retirement contributions relating to state employees; changing requirements for reduced transit fares for certain persons; increasing the property tax mill rate of the transit taxing district; repealing review of administrative rules for business licenses; authorizing the transfer of certain funds appropriated to the higher education coordinating board for obligations under interstate tuition reciprocity agreements; altering the recognition of school district tax revenue; reducing state aids for education in fiscal year 1983 by one-third of the June, 1983 school district tax settlements; requiring payment of 70 percent of the estimated school district tax receipts within 15 days after the settlement date; establishing a cash flow loan fund; reducing education aid appropriations for fiscal year 1983; requiring the commissioner of finance to pay by June 30, 1982 any payments that were suspended; authorizing the commissioner of education to suspend certain education aids in December, 1981 and January, 1982; authorizing the commissioner of education to consider cash flow requirements of each recipient in determining whether to suspend education aids; requiring the commissioner to issue certificates of aid; providing for legislative review of educational mandates; removing the prohibition against unallotment of education aids; changing the formula allowance; authorizing recertification to increase the basic maintenance and transportation levies; limiting the foundation aid appropriations for fiscal years 1984 and 1985; increasing the rate of interest on unpaid taxes; conforming with federal treatment of commodity tax straddles, capital gains deduction, and interest deduction; allowing limited use of ACRS; reducing the corporate income tax rate; imposing an income tax surtax; providing a research and development credit; providing for taxation of unitary business income; modifying estate tax to conform with federal estate tax changes; prohibiting the commissioner of revenue from adopting certain depreciation schedules by rule; requiring payment of certain income and sales taxes pending appeal; reducing the maximum local aid appropriation; extending local government property tax levy limitations; making certain modifications to the levy limitations base; adjusting homestead credit appropriations; reducing aid payments to certain counties; repealing exemption of certain town levies; increasing the sales tax on coin-operated vending machines; extending the sales tax on cigarettes; accelerating the June sales tax liability for certain vendors; providing that farm income is wholly apportioned to Minnesota; authorizing general fund loans to the state building fund; removing the dollar limitation on state short-term borrowing; appropriating money; amending Minnesota Statutes 1980, Sections 16A.63; 40.03, Subdivision 2; 121.904, by adding subdivi-



sions; 176.421, Subdivision 3; 176.521, by adding a subdivision; 184.30, Subdivision 2; 197.23; 221.67; 268.16, Subdivision 3; 275.125, Subdivision 5, and by adding a subdivision; 276.11; 278.03; 290.06, by adding a subdivision; 290.16, Subdivisions 4, 15, and 16; 290.34, Subdivision 2; 290.361, Subdivision 2; 291.015; 291.051, Subdivision 1; 291.09, Subdivision 1a; 291.132, Subdivision 4; 297A.39, Subdivision 1; 298.294; 299.08; 299.10; 303.07; 303.13, Subdivision 1; 303.14, Subdivisions 1, 3, and 5; 303.16, Subdivisions 2 and 4; 303.17, Subdivision 4; 303.18, Subdivision 3; 303.19, Subdivisions 2 and 3; 303.21, by adding a subdivision; 303.22; 303.23, Subdivision 1; 308.06, Subdivision 4; 308.85; 317.04, Subdivisions 2 and 3; 317.36; 317.42, Subdivision 3; 317.67, Subdivision 2; 330.01, Subdivision 1; 340.492; 345.32; 345.33; 345.34; 345.37; 345.38; 345.39; 352.04, Subdivisions 2 and 3; 352.92, Subdivisions 1 and 2; 352D.09, Subdivision 7; 473.408, Subdivision 3; 540.152; 543.08; Minnesota Statutes 1981 Supplement, Sections 3.9222, Subdivision 2; 15.052, Subdivision 5; 16A.15, Subdivision 1; 16A.128; 16A.671, Subdivisions 1, 3, 5, and by adding a subdivision; 124.2121, Subdivisions 4 and 5; 124.2122, Subdivisions 1 and 2; 124.2124, Subdivision 1; 124.2125, Subdivision 1; 124.225, Subdivision 8a; 169.871, Subdivisions 3 and 5; 169.872, Subdivision 1; 174.24, Subdivision 3a; 174.31, Subdivisions 1 and 3; 176.131, Subdivision 10; 176.421, Subdivisions 4 and 5; 176.521, Subdivisions 1 and 2; 204B.11, Subdivision 1; 256B.02, Subdivision 8; 256B.06, Subdivision 1; 270.75; 275.50, Subdivision 5; 275.51, Subdivisions 1 and 3e; 290.01, Subdivision 20; 290.06, Subdivision 1; 290.09, Subdivisions 3 and 7; 290.091; 290.17, Subdivision 2; 290.21, Subdivision 4; 290.53, Subdivision 1; 291.005, Subdivision 1; 291.03; 297A.02; 297A.25, Subdivision 1; 302A.901, Subdivision 2; 352D.04, Subdivision 2; 473.446, Subdivision 1; 477A.03, Subdivision 2; Laws 1981, Chapters 356, Section 45 and 46; 359, Section 3, Subdivision 3; Laws 1981, First Special Session, Chapter 1, Article III, Section 3, Subdivision 6; proposing new law coded in Chapters 5, 35, 290, and 297A; repealing Minnesota Statutes 1980, Sections 7.08; 291.051, Subdivisions 2 and 3; 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; 317.67, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 3.965, Subdivision 6; 124.20, Subdivision 3; 275.125, Subdivision 2f; 275.515; 362.453; and Laws 1981, Chapter 354, Section 3."

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

House Conferees: (Signed) Michael R. Sieben, Irvin N. Anderson, Bob McEachern, Douglas W. Carlson, Gary W. Laidig

Senate Conferees: (Signed) Douglas J. Johnson, Roger D. Moe, Gerald L. Willet, Neil Dieterich, Ron Sieloff

Mr. Moe, R.D. 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.

Mr. Moe, R.D. moved that H. F. No. 2 and the Conference Committee Report thereon be laid on the table. The motion prevailed.

**MESSAGES FROM THE HOUSE - CONTINUED**

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 4.

H. F. No. 4: A bill for an act relating to public welfare; altering certain provisions of the program of aid to families with dependent children; redefining the term "dependent child"; expanding the definition of persons ineligible; eliminating eligibility of the unborn; requiring rules to define "special needs" for eligible pregnant women; requiring recoupment of overpayments; requiring registration of certain dependent recipients for employment services, training, and employment; restricting the earned income disregard to four months; restricting work expense disregards; specifying the amount of step-parent income to be considered available in determining need; providing for voluntary third party payments; eliminating eligibility for recipients participating in a strike; eliminating a prepaid funeral contract and reverse mortgage loan guarantees as disregarded resources; modifying the service fee for child support collection services; modifying the resource limits for recipients of aid to families with dependent children; extending medical assistance coverage to certain pregnant women; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14; 256.73, Subdivisions 3a, 5, 6, and by adding a subdivision; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.81; 256.935, Subdivision 2; 256.99; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; 256B.06, Subdivision 1; and 518.551, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 256; repealing Minnesota Statutes 1981 Supplement, Section 257.021.

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

Heinitz, Samuelson and Hokanson have been appointed as such committee on the part of the House.

House File No. 4 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 11, 1982

Mr. Benson moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 4, 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 6:30 p.m. The motion prevailed.

The hour of 6:30 p.m. having arrived, 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. 4: Messrs. Benson, Sikorski and Ms. Berglin.

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 Motions and Resolutions.

### MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. moved that H.F. No. 2 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

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 50 and nays 17, as follows:

Those who voted in the affirmative were:

Berg	Engler	Lantry	Penny	Spear
Berglin	Frank	Lessard	Peterson, C. C.	Stern
Bertram	Frederick	Luther	Peterson, R. W.	Stokowski
Brataas	Hanson	Menning	Petty	Stumpf
Chmielewski	Hughes	Merriam	Purfeerst	Tennessee
Dahl	Humphrey	Moe, D. M.	Schmitz	Ulland
Davies	Johnson	Moe, R. D.	Setzpfandt	Vega
Davis	Knoll	Nelson	Sieloff	Waldorf
Dicklich	Kroening	Olhoft	Sikorski	Wegener
Dieterich	Langseth	Pehler	Solon	Willet

Those who voted in the negative were:

Ashbach	Bernhagen	Knutson	Pillsbury	Taylor
Bang	Frederickson	Kronebusch	Ramstad	
Belanger	Kamrath	Lindgren	Renneke	
Benson	Keefe	Peterson, D. L.	Rued	

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

### MEMBERS EXCUSED

Mr. Berg was excused from the Session of today from 3:30 to 5:30 p.m.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:50 a.m., Thursday, January 14, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**THIRD SPECIAL SESSION****FIFTEENTH DAY**

St. Paul, Minnesota, Tuesday, January 12, 1982

The House of Representatives met on Tuesday, January 12, 1982, which was the Fifteenth Legislative Day of the Third Special Session of 1981. The Senate did not meet on this date.

### THIRD SPECIAL SESSION

#### SIXTEENTH DAY

St. Paul, Minnesota, Thursday, January 14, 1982

The Senate met at 10:50 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, Rev. Lonnie Branch.

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

Ashbach	Dicklich	Kronebusch	Penny	Spear
Bang	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	Tennessee
Bernhagen	Hughes	Menning	Purfeerst	Ulland
Bertram	Humphrey	Merriam	Ramstad	Vega
Brataas	Johnson	Moe, D.M.	Renneke	Waldorf
Chmielewski	Kamrath	Moe, R.D.	Rued	Wegener
Dahl	Knoll	Nelson	Schmitz	Willet
Davies	Knutson	Olhoft	Setzepfandt	
Davis	Kroening	Pehler	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. Keefe and Sieloff were excused from the Session of today.

#### RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 11:30 a.m. The motion prevailed.

The hour of 11:30 a.m. having arrived, the President called the Senate to order.

#### MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:55 a.m., Monday, January 18, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD SPECIAL SESSION

#### SEVENTEENTH DAY

St. Paul, Minnesota, Monday, January 18, 1982

The Senate met at 10:55 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Richard Smith.

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

Ashbach	Dieterich	Langseth	Peterson, C.C.	Stumpf
Bang	Engler	Lantry	Peterson, D.L.	Taylor
Belanger	Frank	Lessard	Peterson, R.W.	Tennesen
Benson	Frederick	Lindgren	Petty	Ulland
Berglin	Frederickson	Luther	Pillsbury	Vega
Bernhagen	Hughes	Merriam	Ramstad	Waldorf
Bertram	Johnson	Moe, D.M.	Rued	Wegener
Brataas	Kamrath	Moe, R.D.	Setzepfandt	Willet
Chmielewski	Knoll	Nelson	Soljon	
Dahl	Knutson	Olhoft	Spear	
Davies	Kroening	Pehler	Stern	
Dicklich	Kronebusch	Penny	Stokowski	

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. Berg, Davis, Hanson, Humphrey, Keefe, Menning, Purfeerst, Renneke, Schmitz, Sieloff and Sikorski were excused from the Session of today.

#### EXECUTIVE AND OFFICIAL COMMUNICATIONS

January 15, 1982

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 Third 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.	Third Special Session Laws Chapter No.	Date Approved 1982	Date Filed 1982 January 15
	2	2		

Sincerely,  
Joan Anderson Growe  
Secretary of State

### 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. 4, and re-passed said bill in accordance with the report of the Committee, so adopted.

House File No. 4 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 12, 1982

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 4

A bill for an act relating to public welfare; altering certain provisions of the program of aid to families with dependent children; redefining the term "dependent child"; expanding the definition of persons ineligible; eliminating eligibility of the unborn; requiring rules to define "special needs" for eligible pregnant women; requiring recoupment of overpayments; requiring registration of certain dependent recipients for employment services, training, and employment; restricting the earned income disregard to four months; restricting work expense disregards; specifying the amount of stepparent income to be considered available in determining need; providing for voluntary third party payments; eliminating eligibility for recipients participating in a strike; eliminating a prepaid funeral contract and reverse mortgage loan guarantees as disregarded resources; modifying the service fee for child support collection services; modifying the resource limits for recipients of aid to families with dependent children; extending medical assistance coverage to certain pregnant women; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14; 256.73, Subdivisions 3a, 5, 6, and by adding a subdivision; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.81; 256.935, Subdivision 2; 256.99; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; 256B.06, Subdivision 1; and 518.551, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 256; repealing Minnesota Statutes 1981 Supplement, Section 257.021.

January 13, 1982

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. 4, 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. 4 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 256.12, Subdivision 14, is amended to read:

Subd. 14. [DEPENDENT CHILD.] "Dependent child," as used in sections 256.72 to 256.87 and 256.872, means a child under the age of 18 years, or a child under the age of 19 years who is regularly attending as a full time student ~~at, and is expected to complete before reaching age 19,~~ a high school, college, or university, ~~or regularly attending as a full time student in~~ or a secondary level course of vocational or technical training designed to fit him for gainful employment, who is found to be deprived of parental support or care by reason of the death, continued absence from the home, physical or mental incapacity of a parent, or who is a child of an unemployed ~~father~~ parent as that term is defined by the commissioner of public welfare, such definition to be consistent with, and not to exceed minimum standards established by the congress of the United States and the secretary of health, education and welfare human services, and whose relatives, liable under the law for his support are not able to provide adequate care and support of ~~such~~ the child, and who is living with his father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew, or niece in a place of residence maintained by one or more of ~~such these~~ relatives as his or their home.

The term "dependent child" ~~shall also mean~~ means a child who has been removed from the home of a relative after a judicial determination that continuance in the home would be contrary to the welfare and best interests of the child and whose care and placement in a foster home or a private licensed child care institution is, in accordance with the rules and regulations of the commissioner, the responsibility of the state or county agency under sections 256.72 to 256.87. *This child is eligible for benefits only through the foster care and adoption assistance program contained in Title IV-E of the Social Security Act, 42 U.S.C. 670 to 676, and is not entitled to benefits under sections 256.72 to 256.87.*

Sec. 2. Minnesota Statutes 1980, Section 256.12, is amended by adding a subdivision to read:

Subd. 20. [ASSISTANCE UNIT.] "Assistance unit" means the group of individuals whose needs or income, or both, are taken into account in determining eligibility for or the amount of a grant of assistance under sections 256.72 to 256.87.

Sec. 3. Minnesota Statutes 1980, Section 256.12, is amended by adding a subdivision to read:

Subd. 21. [CARETAKER RELATIVE.] "Caretaker relative" means a relative specified by rule to be an eligible relative and who exercises responsibility for the care and control of the dependent child.

Sec. 4. Minnesota Statutes 1980, Section 256.12, is amended by adding a subdivision to read:

Subd. 22. [PRINCIPAL EARNER.] "Principal earner" means, in a home where both parents of the dependent child live, the parent who earned the greater amount of income in the 24-month period immediately preceding the month of application.

Sec. 5. Minnesota Statutes 1981 Supplement, 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 the father, mother, child, children, or any combination thereof, of property as follows shall be~~ is 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 child, relative or other member of the assistance unit~~ 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 or 80 contiguous acres in unplatted land; or~~

(2) Personal property of a ~~reasonable market an equity value in excess of \$400 \$1,000 for a one child recipient or \$600 for more than one child recipient the entire assistance unit,~~ 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 motor vehicle of an equity value not exceeding \$1,500,~~ clothing and necessary household furniture and equipment ~~and other basic maintenance items essential for daily living, 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 promulgated by and standards established by 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, 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 family's needs 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. 6. Minnesota Statutes 1980, Section 256.73, Subdivision 3a, is amended to read:

Subd. 3a. [PERSONS INELIGIBLE.] No assistance shall be given under sections 256.72 to 256.87:

(1) On behalf of any person who is receiving supplemental security income under title XVI of the social security act unless permitted by federal regulations;

(2) For any month in which the assistance unit's gross income, without application of deductions or disregards, exceeds 150 percent of the standard of need for a family of the same size and composition. If a stepparent's income is taken into account in determining need, the disregards specified in section 12 shall be applied to determine income available to the assistance unit before calculating the unit's gross income for purposes of this paragraph;

(3) To any assistance unit for any month in which any caretaker relative with whom the child is living is, on the last day of that month, participating in a strike;

(4) On behalf of any other individual in the assistance unit, nor shall the individual's needs be taken into account, for any month in which, on the last day of the month, the individual is participating in a strike;

(5) To an assistance unit if its eligibility is based on a parent's unemployment and the parent who is the principal earner, without good cause, fails or refuses to participate in the work incentive program under section 256.736, to accept employment, or to register with a public employment office, unless the principal earner is exempt from these work requirements.

Sec. 7. Minnesota Statutes 1980, Section 256.73, Subdivision 5, is amended to read:

Subd. 5. [PREGNANT WOMEN WITH NO CHILDREN.] (a) For the purposes of sections 256.72 to 256.87, ~~dependent children shall include the unborn~~ assistance payments shall be made during the final three months of pregnancy and, ~~insofar as possible, the provisions applicable to dependent children shall also be applicable to the unborn during the final three months of pregnancy~~ to a woman who has no other children but who otherwise qualifies for assistance. No payments shall be made for the needs of the unborn or for any special needs occasioned by the pregnancy except as provided in clause (b). The commissioner of public welfare shall promulgate, pursuant to the administrative procedures act, ~~regulations~~ rules to implement this subdivision.

(b) The commissioner may, according to rules, make payments for the purpose of meeting special needs occasioned by or resulting from pregnancy both for a pregnant woman with no other children as well as for a pregnant woman receiving assistance as provided in sections 256.72 to 256.87. The special needs payments shall be dependent upon the needs of the pregnant woman and the resources allocated to the county by the commissioner and shall be limited to payments for medically recognized special or supplemental diet needs and the purchase of a crib and necessary clothing for the future needs of the unborn child at birth.

Sec. 8. Minnesota Statutes 1980, Section 256.73, Subdivision 6, is amended to read:

Subd. 6. [REPORTS BY RECIPIENT.] Each recipient shall complete reports as requested by the local or state agency. All ~~net earned or unearned~~ income not specifically disregarded by the social security act, the code of federal regulations, or state law, rules and regulations, shall be income applicable to the budgetary needs of the family. If any amount of aid to families with dependent children assistance is paid to a recipient thereof in excess of the payment due it shall be recoverable by the local agency. If the agency notifies the recipient in writing of an overpayment due solely to local agency error ~~within three months after the overpayment, the agency may commence recovery of the overpayment during the year after the notification is received by the recipient.~~ The agency shall give written notice ~~shall inform~~ to the recipient of the agency's ~~its~~ intention to recover the overpayment. ~~Overpayments to a current assistance unit shall be recovered either through repayment by the individual in part or in full or by reducing the amount of aid payable to the~~

assistance unit of which the individual is a member. For any month in which an overpayment must be recovered, recoupment may be made by reducing the grant but only if the reduced assistance payment, together with the assistance unit's liquid assets and total income after deducting actual work expenses equals at least 95 percent of the standard of need for the assistance unit, except that if the overpayment is due solely to agency error, this total after deducting actual work expenses shall equal at least 99 percent of the standard of need. In cases when there is both an overpayment and underpayment the local agency shall offset one against the other in correcting the payment. The recipient may appeal the agency's determination that an overpayment has occurred in accordance with section 256.045. The county agency shall promptly repay the recipient for any underpayment and shall disregard that payment when determining the assistance unit's income and resources in the month when the payment is made and the following month.

Sec. 9. Minnesota Statutes 1980, Section 256.736, Subdivision 3, is amended to read:

Subd. 3. [OPERATION OF PROGRAM.] To determine who shall be designated as an appropriate individual for certification to the commissioner of economic security, the commissioner of public welfare shall provide standards for county welfare agencies and human services boards consistent with the standards promulgated by the secretary of health, ~~education, and welfare~~ human services. County welfare agencies shall certify appropriate individuals to the commissioner of economic security and shall require that every individual, as a condition of receiving aid to families with dependent children, register for employment services, training, and employment, unless such individual is:

(1) a child who is under age 16 ~~or, a child age 16 or 17 who is attending elementary or secondary school or a secondary level vocational or technical school full time, or a full-time student age 18 who is attending a secondary school or a secondary level vocational or technical program and who is expected to complete the school or program before reaching age 19;~~

(2) a person who is ill, incapacitated or of advanced age;

(3) a person so remote from a work incentive project that his effective participation is precluded;

(4) a person whose presence in the home is required because of illness or incapacity of another member of the household;

(5) a ~~mother~~ parent or other caretaker relative of a child under the age of six who is ~~caring~~ personally provides full-time care for the child; ~~or~~

(6) ~~the mother or other female caretaker of a child if the father or another adult male relative is in the home and not excluded by clause (1), (2), (3), or (4), unless he has failed to register as required by this subdivision or has been found by the commissioner of economic security to have refused without good cause to participate under a work incentive program or accept employment a parent or other caretaker if another adult relative in the house is registered and has not, without good cause, failed or refused to participate or accept employment; or~~

(7) a parent who is not the principal earner if the parent who is the principal earner is not exempt under clauses (1) to (6).

Any individual referred to in clause (5) shall be advised of ~~her~~ *the* option to register for employment services, training, and employment if ~~she~~ *the individual* so desires, and shall be informed of the child care services, if any, which will be available to ~~her~~ *in the event she should decide if the individual decides* to register.

If, after planning with a recipient, a decision is made that ~~he~~ *the recipient* must register for employment services, training, and employment, the county welfare department shall give notice in writing to the ~~individual~~ *recipient* stating that ~~he or she~~ must register with the commissioner of economic security for participation in a work incentive program and that ~~he~~ *the recipient* has a right to a fair hearing under section 256.045 with respect to the appropriateness of ~~his~~ *the* registration.

Sec. 10. Minnesota Statutes 1980, Section 256.736, Subdivision 4, is amended to read:

Subd. 4. [CONDITIONS OF CERTIFICATION.] The commissioner of public welfare shall:

(1) Arrange for or provide any relative or child certified to the commissioner of economic security pursuant to this section with child-care services and other necessary family services;

(2) Pay ten percent of the cost of programs of training and employment established by the commissioner of economic security for persons certified hereunder;

(3) Provide that in determining a recipient's needs any monthly incentive training payment made to the recipient by the department of economic security is disregarded and the additional expenses attributable to his participation in a program are taken into account in grant determination; *and*

(4) Provide that when it has been certified by the commissioner of economic security, certification to be binding upon the commissioner of public welfare, that a relative or child certified under the work incentive program to the commissioner of economic security has been found by the commissioner, after a hearing conducted in the manner prescribed by section 268.10, subdivision 3, with the right of review in accordance with the provisions of section 268.10, subdivision 8, to have refused without good cause to participate under a work incentive program or to have refused without good cause to accept a bona fide offer of public or other employment, the county welfare departments shall provide that:

(a) If the relative makes the refusal, the relative's needs shall not be taken into account in making the grant determination; and aid for any dependent child in the family will be made in the form of vendor payments.

(b) Aid with respect to a dependent child will be denied if a child who makes the refusal is the only child receiving aid in the family.

(c) If there is more than one child receiving aid in the family, aid for the child who makes the refusal will be denied and his needs will not be taken into account in making the grant determination; *and*

(d) Notwithstanding the other provisions of this subdivision, the county welfare department shall, for a period of 60 days after notification of the

commissioner of economic security determination of refusal without cause to participate in a program of training or employment, make vendor payments on behalf of the relative specified or continue aid in the case of a child specified, if during the 60 day period the child or relative accepts counseling or other services which the county welfare department shall make available for the purpose of assisting the child or relative to participate in a program in accordance with the determination of the commissioner of economic security. *If the assistance unit's eligibility is based on the principal earner's unemployment and the principal earner fails or refuses without good cause to participate or to accept employment, the entire assistance unit is ineligible for benefits under sections 256.72 to 256.87.*

Sec. 11. Minnesota Statutes 1980, Section 256.74, Subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] The amount of assistance which shall be granted to or on behalf of any dependent child and mother or other needy eligible relative caring for such the dependent child shall be determined by the county agency with due regard to the resources and necessary expenditures of the family and the conditions existing in each case and in accordance with the rules and regulations made promulgated by the state agency commissioner and shall be sufficient, when added to all other income and support available to the child, to provide such the child with a reasonable subsistence compatible with decency and health. *The amount shall be based on the method of budgeting required in Public Law No. 97-35, Section 2315, 42 U.S.C. 602, as amended and federal regulations at 45 C.F.R. Section 233.* In making its determination the county agency shall ~~exclude~~ *disregard* the following from family income:

(1) All of the earned income of each dependent child receiving aid to families with dependent children who is a full-time student or part-time student, and not a full-time employee, attending a school, college, or university, or a course of vocational or technical training designed to fit him for gainful employment;

(2) All educational grants and loans awarded pursuant to a federal law when public assistance was considered in making the award and the award was made on the basis of financial need; and that part of any other educational grant or loan which is used for educational purposes, such as tuition, fees, equipment, transportation and child care expenses necessary for school attendance; ~~and~~

(3) *The first \$75 of each individual's earned income. In the case of an individual not engaged in full-time employment or not employed throughout the month the commissioner shall prescribe by a rule a lesser amount to be disregarded. For self-employed persons, the expenses directly related to producing goods and services and without which the goods and services could not be produced shall be disregarded pursuant to rules promulgated by the commissioner;*

(4) *An amount equal to the actual expenditures but not to exceed \$160 for the care of each dependent child or incapacitated individual living in the same home and receiving aid. In the case of a person not engaged in full-time employment or not employed throughout the month, the commissioner shall prescribe by rule a lesser amount to be disregarded; and*

(5) *The first \$30 Thirty dollars plus one-third of the remainder of the combined monthly earnings of any dependent child not included under clause (1); and any adult who is a recipient of aid for families with dependent children each individual's earned income not already disregarded for individuals found otherwise eligible to receive aid or who have received aid in one of the four months before the month of application. With respect to any month, the county*

welfare agency shall not disregard under *this* clause (2) any earned income of any person who has:

(a) Reduced his earned income without good cause within 30 days preceding any month in which an assistance payment is made; or

(b) Refused without good cause to accept an offer of suitable employment;  
or

(c) *Left employment or reduced his earnings without good cause and applied for assistance so that he might later return to employment with the advantage of the income disregard; or*

(d) *Failed without good cause to make a timely report of earned income in accordance with rules promulgated by the commissioner of public welfare.*

Persons who are already employed and who apply for assistance shall have their needs computed with full account taken of their earned and other income. If earned and other income of the family is less than need, as determined on the basis of public assistance standards, the county agency shall determine the amount of the grant by applying the disregard of income provisions. The county agency shall not disregard earned income for persons in a family if the total monthly earned and other income exceeds their needs, unless for any one of the four preceding months their needs were met in whole or in part by a grant payment. ~~If an individual without good cause leaves employment or reduces his earnings and applies for assistance so that he might later return to employment with advantages of income disregard, he shall not have the benefit of the disregard of income provisions.~~

*The disregard of \$30 and one-third of the remainder of earned income described in clause (5) shall be applied to the individual's income for a period not to exceed four consecutive months. Any month in which the individual loses this disregard because of the provisions of clause (5)(a) to (5)(d) shall be considered as one of the four months. To again qualify for this earned income disregard, the individual must not be a recipient of aid for a period of 12 consecutive months. If an individual becomes ineligible for aid because this earned income disregard has been applied to income for four consecutive months and will no longer be applied to income, the local agency shall inform the individual of the medical assistance program, its standards of eligibility, and the circumstances under which the individual would be eligible for medical assistance.*

Sec. 12. Minnesota Statutes 1980, Section 256.74, is amended by adding a subdivision to read:

*Subd. 1a. [STEPARENT'S INCOME.] In determining income available, the county agency shall take into account the remaining income of the dependent child's stepparent who lives in the same household after disregarding:*

(1) *The first \$75 of the stepparent's gross earned income. The commissioner shall prescribe by rule lesser amounts to be disregarded for stepparents who are not engaged in full-time employment or not employed throughout the month;*

(2) *An amount for support of the stepparent and any other individuals whom the stepparent claims as dependents for tax purposes and who live in the same household but whose needs are not considered in determining eligibility for*

assistance under sections 256.72 to 256.87. The amount equals the standard of need for a family of the same composition as the stepparent and these other individuals;

(3) Amounts the stepparent actually paid to individuals not living in the same household but whom the stepparent claims as dependents for tax purposes; and

(4) Alimony or child support, or both, paid by the stepparent for individuals not living in the same household.

Sec. 13. [256.851] [RULES.]

*The commissioner of public welfare shall promulgate temporary and permanent rules necessary to implement sections 1 to 19.*

Sec. 14. Minnesota Statutes 1981 Supplement, Section 256.872, Subdivision 1, is amended to read:

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 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 income, regardless of source of the person obligated to pay the support or maintenance. *If the public agency responsible for child support enforcement determines that the obligor's arrearages have accumulated for more than one month, and if the agency is not pursuing another appropriate remedy, the agency shall move the district or county court for an order for withholding under this section or shall document a reason or reasons why withholding would not result in payment being made.* "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.

Sec. 15. Minnesota Statutes 1981 Supplement, Section 256.872, is amended by adding a subdivision to read:

*Subd. 4. [REPORT.] The commissioner shall report to the appropriate legislative committees by January 15, 1983, on the extent to which the local public agencies responsible for child support enforcement comply with this section and with sections 518.54 to 518.66.*

Sec. 16. Minnesota Statutes 1980, Section 256.99, is amended to read:

256.99 [REVERSE MORTGAGE PROCEEDS DISREGARDED.]

All reverse mortgage loan proceeds received pursuant to section 47.58, including interest or earnings thereon, shall be disregarded and shall not be considered available to the borrower for purposes of determining initial or continuing eligibility for, or amount of, medical assistance or any other public assistance program, Minnesota supplemental assistance, general assistance, general assistance medical care, or a federal or state low interest loan or grant. This section applies regardless of the time elapsed since the loan was made or the disposition of the proceeds.

Sec. 17. Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivi-

sion 1, is amended to read:

Subdivision 1. Medical assistance may be paid for any person:

(1) Who is eligible for or receiving public assistance, *or a woman who is pregnant, as medically verified, and who would be eligible for assistance under the aid to families with dependent children program if the child had been born and living with the woman;* 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~~ 80 contiguous acres in unplatted land. *Occupancy or exemption shall be determined as provided in chapter 510 and applicable law, including continuing exemption by filing notice under section 510.07.* 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. 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 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 cost of medical care of 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. 18. Minnesota Statutes 1980, Section 256B.07, is amended to read:

256B.07 [EXCEPTIONS IN DETERMINING RESOURCES.]

A local agency may, within the scope of regulations set by the commissioner of public welfare, waive the requirement of liquidation of excess assets when the liquidation would cause undue hardship. Household goods and furniture in use in the home, wearing apparel, insurance policies with cash surrender value not in excess of \$1,500 per insured person, personal property used as a regular abode by the applicant or recipient, *a prepaid funeral contract not in excess of \$750 per person plus accrued interest of not more than \$200*, and a lot in a

burial plot shall not be considered as resources available to meet medical needs.

Sec. 19. Minnesota Statutes 1981 Supplement, Section 518.551, Subdivision 7, is amended to read:

Subd. 7. [SERVICE FEE.] When the public agency responsible for child support enforcement provides child support collection services either to a public assistance recipient or to a party who does not receive public assistance, the public agency may upon written notice to the obligor charge a monthly collection fee equivalent to the full monthly cost to the county of providing collection services, in addition to the amount of the child support which was ordered by the court. The fee shall be deposited in the county general fund. The service fee assessed is limited to ten percent of the monthly court ordered child support and shall not be assessed to obligors who are current in payment of the monthly court ordered child support. No fee shall be imposed on the party who requests child support collection services.

*However, the limitations of this subdivision on the assessment of fees shall not apply to the extent inconsistent with the requirements of federal law for receiving funds for the programs under Title IV-A and Title IV-D of the Social Security Act, 42 U.S.C. 601 to 613 and 42 U.S.C. 651 to 662.*

Sec. 20. [REPEALER.]

*Minnesota Statutes 1980, Section 256.935, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 257.021, are repealed.*

Sec. 21. [EFFECTIVE DATE.]

*Sections 1 to 20 are effective February 1, 1982."*

Amend the title as follows:

Delete lines 2 to 32 and insert:

*"relating to public welfare; changing certain provisions governing aid to families with dependent children as authorized or required by federal law; changing or adding provisions governing definitions, eligibility standards, payment levels and amounts, income disregards, budgeting methods, child support or maintenance orders; eliminating a stepparents' general support duty and specifying the amount of stepparent income to be considered available in determining need; eliminating coverage of the unborn; extending medical assistance coverage to certain pregnant women; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14, and by adding subdivisions; 256.73, Subdivisions 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.99; and 256B.07; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding a subdivision; 256B.06, Subdivision 1; and 518.551, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 256; repealing Minnesota Statutes 1980, Section 256.935, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 257.021."*

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

House Conferees: (Signed) O. J. Heinitz, Don Samuelson, Shirley A. Hokanson

Senate Conferees: (Signed) Duane D. Benson, Gerry Sikorski, Linda Berglin

Mr. Benson moved that the foregoing recommendations and Conference

Committee Report on H.F. No. 4 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. 4 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 44 and nays 10, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Lantry	Peterson, C.C.	Stokowski
Bang	Dieterich	Lessard	Peterson, D.L.	Stumpf
Belanger	Engler	Lindgren	Peterson, R.W.	Taylor
Benson	Frederick	Luther	Petty	Ulland
Bernhagen	Frederickson	Merriam	Pillsbury	Vega
Bertram	Hughes	Nelson	Ramstad	Waldorf
Brataas	Kamrath	Olhoft	Rued	Wegener
Chmielewski	Kronebusch	Pehler	Setzepfand	Willet
Dahl	Langseth	Penny	Solon	

Those who voted in the negative were:

Berglin	Frank	Kroening	Moe, R. D.	Stern
Dicklich	Johnson	Moe, D. M.	Spear	Tennessee

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 of Representatives is about to adjourn the Third Special Session sine die.

Edward A. Burdick, Chief Clerk, House of Representatives

January 18, 1982.

## MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. introduced—

Senate Resolution No. 9: A Senate resolution relating to adjournment of the 1981 Third Special Session.

BE IT RESOLVED, by the Senate:

The Secretary of the Senate shall notify the Governor and the House of Representatives that the Senate is about to adjourn the Third Special Session sine die.

The Secretary of the Senate may correct and approve the Journal of the Senate for the Third Special Session of 1981.

Mr. Moe, R.D. 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

January 19, 1982

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 Third 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.	Third Special Session Laws Chapter No.	Date Approved 1982 January 19	Date Filed 1982 January 19
	4	3		

Sincerely,

Joan Anderson Growe  
 Secretary of State

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**THIRD SPECIAL SESSION 1981**

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# INDEX

## BILLS OF THE SENATE

### THIRD SPECIAL SESSION 1981

S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	Third Special Session, 1981 Laws, Chapter
1	A bill for an act relating to taxation; authorizing use of newly enacted federal depreciation provisions for all taxpayers; eliminating commissioner of revenue's discretion to adopt new depreciation schedules; amending Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 20; 290.09, Subdivision 7; and 290.091.	7		9, 10					
2	A bill for an act relating to public utilities; limiting the amount of proposed rate increases that may be put into effect during suspension of a rate schedule pending final approval; amending Minnesota Statutes 1980, Sections 216B.16, Subdivision 3; and 237.075, Subdivision 3.	7							
3	A bill for an act relating to federal money; extending the time period for allocating certain federal block grant money; amending Laws 1981, Chapter 356, Section 63.	7							
4	A bill for an act relating to public welfare; changing certain provisions governing aid to families with dependent children as required or authorized by federal law; changing and adding definitions; changing eligibility standards; changing income, resource, and disregard provisions; specifying coverage for pregnant women; eliminating coverage of the unborn; specifying reporting and budgeting requirements; establishing the standard of need and payment amount; specifying the amount of stepparent income used in determining need; repealing a general stepparents' duty to support stepchildren; further specifying public agency responsibilities regarding support or maintenance orders; extending medical assistance coverage to certain pregnant women; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14, and by adding subdivisions: 256.73, Subdivisions 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.935, Subdivision 2; 256.99; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding subdivisions; 256B.06, Subdivision 1; 518.551, Subdivision 7; repealing Minnesota Statutes 1981 Supplement, Section 257.021; proposing new law coded in Minnesota Statutes, Chapter 256.	8							
5	A bill for an act relating to taxation; updating estate tax references to the Internal Revenue Code; changing the specific exemption to conform to the unified credit equivalent; removing the marital deduction limitation; modifying filing requirements; amending Minnesota Statutes 1980, Sections 291.015; 291.03, as amended; 291.051, Subdivision 1; 291.09, Subdivision 1a; 291.132, Subdivision 4; Minnesota Statutes 1981 Supplement, Section 291.005, Subdivision 1; repealing Min-	8							

**BILLS OF THE SENATE—Continued.  
THIRD SPECIAL SESSION 1981**

S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	Third Special Session, 1981 Laws, Chapter
	Minnesota Statutes 1980, Section 291.051, Subdivisions 2 and 3.								
6	A bill for an act relating to energy; exempting ethanol or fuel alcohol plants from certificate of need requirements; amending Minnesota Statutes 1980, Section 116H.13, Subdivision 8.	8							
7	A bill for an act relating to the operation and financing of state and local government; reducing certain property tax credits; limiting property taxes eligible for the property tax refund; limiting certain appropriations for local government aid and property tax relief; adopting certain federal income tax amendments; limiting the income tax investment credit subtraction; removing a provision prohibiting the commissioner of finance from reducing allotments pursuant to appropriations for state aids, payments, reimbursements, or fund transfers to or on behalf of school districts; increasing the limitation on the principal amount of certificates of indebtedness of the state; authorizing the commissioner of education to apportion allotment reductions made by the commissioner of finance; authorizing the commissioner of finance to delay payments and credits due to cities, towns, counties, or school districts; reducing appropriations for the general legislative and executive agencies of state government; providing for transfer of appropriations from the second year of the biennium back into the first year of the biennium; changing the state and county shares of the cost of certain public assistance programs; providing for establishment of a drug formulary by the commissioner of public welfare; limiting certain rate increases for medical assistance to eight percent; providing for a statewide uniform rate methodology; altering eligibility requirements for medical assistance; limiting certification of beds for skilled nursing care; decreasing the per diem rate for medical assistance for certain intermediate care facilities; authorizing the transfer of certain funds appropriated to the higher education coordinating board for obligations under interstate tuition reciprocity agreements; abolishing the general assistance medical care program; providing for distribution of funds to counties for health care of indigent persons; providing for the use of certain appropriations to discharge workers' compensation and unemployment compensation obligations; appropriating money; amending Minnesota Statutes 1980, Sections 256.82; 256B.04, by adding a subdivision; 256B.041, Subdivision 5; 256B.19, Subdivision 1; 256D.02, Subdivision 11; 256D.36, Subdivision 1; 261.21, Subdivision 1, and by adding subdivisions; 273.13, Subdivision 14a; 352.04, Subdivisions 2 and 3; 352.92, Subdivisions 1 and 2; Minnesota Stat-	10							

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THIRD SPECIAL SESSION 1981

S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	Third Special Session, 1981 Laws, Chapter
	<p>utes 1981 Supplement, Sections 16A.123, 16A.15, Subdivision 1; 16A.671, Subdivision 3; 124.213, Subdivision 1; 256.966; 256.967; 256.968; 256B.02, Subdivision 8; 256B.03, Subdivision 2; 256B.06, Subdivision 1; 256D.04, 256D.07; 273.13, Subdivisions 6, 7, and 15b; 290.01, Subdivisions 20, 290.09, Subdivisions 3, 7, and 29; 290.92, Subdivision 15; 290.93, Subdivision 1; 290.934, Subdivision 4; 290A.03, Subdivisions 3 and 13; 477A.03, Subdivision 2; Laws 1981, Chapters 60, Section 27; 356, Sections 45, 46; and 62, Subdivision 2, and 359, Section 3, Subdivision 3; First Special Session, Chapter 1, Article 3, Section 3; proposing new law coded in Minnesota Statutes, Chapters 16A and 124; repealing Minnesota Statutes 1980, Sections 256D.02, Subdivision 4a; 256D.03, Subdivision 3; 261.21, Subdivision 2; 261.22; 261.23; 261.231; 261.232; 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; Minnesota Statutes 1981 Supplement, Section 256D.03, Subdivision 4.</p>								
8	<p>A bill for an act relating to public welfare; altering certain provisions of the program of aid to families with dependent children; redefining the term "dependent child"; expanding the definition of persons ineligible; eliminating eligibility of the unborn; requiring rules to define "special needs" for eligible pregnant women; requiring recoupment of overpayments; requiring registration of certain dependent recipients for employment services, training, and employment; restricting the earned income disregard to four months; restricting work expense disregards; providing for voluntary third party payments; eliminating eligibility for recipients participating in a strike; eliminating a prepaid funeral contract and reverse mortgage loan guarantees as disregarded resources; modifying the service fee for child support collection services; modifying the resource limits for recipients of aid to families with dependent children; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14; 256.73, Subdivisions 3a, 5, 6, and by adding a subdivision; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1; 256.81; 256.871, Subdivision 2; 256.935, Subdivision 2; 256.99, Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; and 518.551, Subdivision 7; and proposing new law coded in Minnesota Statutes, Chapter 256.</p>	12		(H4)					
9	<p>A bill for an act relating to unemployment compensation; altering provisions with respect to the advance of federal funds; altering "triggers" relating to extended benefits; altering eligibility requirements for extended benefits; altering eligibility and disqualifying provisions for individuals whose training is approved under the Federal Trade Act</p>	13							



**BILLS OF THE SENATE—Continued.  
THIRD SPECIAL SESSION 1981**

S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	Third Special Session, 1981 Laws, Chapter
	of 1974; amending Minnesota Statutes 1980, Sections 268.05, Subdivision 6; 268.071, Subdivisions 1, 3, 5, and 6, and by adding subdivisions, 268.08, Subdivision 1; and 268.09, by adding a subdivision.								
10	A bill for an act relating to education; providing for the reduction of school aids; changing formula allowances; raising the basic maintenance mill rate; establishing an equalizing factor; extending dates of exemption from public sale of certificates of indebtedness; authorizing recertification of levy; authorizing a one-time transfer of funds; delaying school aid payments; appropriating money; amending Minnesota Statutes 1981 Supplement, Sections 16A.15, Subdivision 1; 124.2122, Subdivisions 1, 2 and 4; Laws 1981, Chapter 358, Article 7, Section 29; repealing Minnesota Statutes 1981 Supplement, Sections 124.20, Subdivision 3; 124.781; 275.125, Subdivision 2f; Laws 1981, Chapter 358, Article 1, Section 50; Article 2, Section 15; Article 3, Section 21; Article 4, Section 12; Article 5, Section 48; Article 6, Section 46; Article 8, Section 20; and Laws 1981, First Special Session, Chapter 2, Sections 2 and 9.	13		17, 19a					
11	A bill for an act relating to public finance; repealing and suspending authority to incur state debt; repealing Laws 1980, Chapter 610; and Laws 1981, Chapter 275.	13							
12	A bill for an act relating to local government; guaranteeing the payment of certain state aids and payments to local governments for calendar year 1981; granting local governments temporary borrowing authority.	13		(H 1)					
13	A bill for an act relating to foreign corporations; providing for the increase, recalculation, or standardization of certain fees; amending Minnesota Statutes 1980, Sections 303.07; 303.14, Subdivisions 1, 3, and 5; 303.16, Subdivision 2; 303.21, by adding a subdivision; and 303.22.	14	36	35a					
14	A bill for an act proposing an amendment to the Minnesota Constitution to repeal Article XIII, Section 5; repealing the prohibition against lotteries.	16		17, 32					
15	A bill for an act relating to the operation and financing of state and local government; reducing the agricultural property school tax credit; reducing the homestead credit; eliminating the individual housing account provisions; providing an additional adjustment of individual income tax brackets; eliminating the deduction for excise tax paid on gasoline and special fuels; eliminating the discretion of the commissioner of revenue to adopt new depreciation methods; altering the computation of the property tax refund;	16							

BILLS OF THE SENATE—Continued.  
THIRD SPECIAL SESSION 1981

S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	Third Special Session, 1981 Laws, Chapter
	increasing the excise taxes on liquor and cigarettes; extending the sales tax to sales of candy, carbonated beverages, chewing gum, and services; reducing the maximum local aid appropriation; amending Minnesota Statutes 1980, Sections 273.13, Subdivision 14a; and 340.47, Subdivisions 1, 1a, and 2; and Minnesota Statutes 1981 Supplement, Sections 124.213, Subdivision 1; 273.13, Subdivisions 6, 7, and 15b; 290.01, Subdivision 20; 290.06, Subdivision 2d; 290.09, Subdivisions 4 and 7; 290.17, Subdivision 2; 290A.03, Subdivisions 11 and 13; 290A.04, Subdivision 2; 297A.01, Subdivision 3; 297A.25, Subdivision 1; and 477A.03, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 297; repealing Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; and 52.136.								
16	A bill for an act relating to local government aid; requiring a portion of sales tax collections to be distributed for local government aid; providing for payment of local government aid; requiring the commissioner of revenue to estimate payments; authorizing cities to certify an additional levy for 1982; appropriating money; amending Minnesota Statutes 1981 Supplement, Sections 477A.014, Subdivision 1; 477A.015; and 477A.03.	16							
17	A bill for an act relating to taxation; limiting property tax on certain homesteads; providing for replacement by state of certain revenue lost by local government units; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 273.	17		32					
18	A bill for an act relating to state government; providing for the salary reduction of certain legislative and executive branch employees; amending Minnesota Statutes 1980, Sections 3.099, Subdivision 2; and 15A.081, by adding a subdivision.	17							
19	A bill for an act relating to traffic offenses; prohibiting the issuance of arrest warrants for parking violations; amending Minnesota Statutes 1980, Section 171.16, by adding a subdivision.	17							
20	A bill for an act relating to employment; providing for the salary reduction of certain executive, legislative, and judicial employees; amending Minnesota Statutes 1980, Sections 3.099, Subdivision 2; 15A.081, by adding a subdivision; and 15A.083, by adding a subdivision.	17							
21	A bill for an act relating to motor vehicles; defining vans; providing for the registration and taxation of certain vans as passenger automobiles; amending Minnesota Statutes 1980, Section	32		38 (H 2)					

**BILLS OF THE SENATE—Continued.  
THIRD SPECIAL SESSION 1981**

S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	Third Special Session, 1981 Laws Chapter
	168.011, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 168.011, Subdivisions 7 and 10.								
22	A bill for an act relating to waters; limiting the rulemaking authority of the commissioner of natural resources with respect to signs posted around water aeration systems; amending Minnesota Statutes 1981 Supplement, Section 378.22, Subdivisions 1 and 2.	32							
23	A bill for an act relating to education; authorizing certain school districts in Washington County which did not qualify for the grandfather levy to make an additional levy for school maintenance purposes; amending Minnesota Statutes 1980, Section 275.125, by adding a subdivision.	32							
24	A bill for an act relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983 with certain conditions; providing for a deficiency in income maintenance appropriations; providing for state scholarship and grants in aid; imposing and increasing fees; imposing various cost saving measures; authorizing attorney general to appear in civil weight enforcement actions; providing for judicial review of driving privilege revocations for failure to submit to chemical testing or exceeding prescribed alcohol concentration; changing certain provisions governing aid to families with dependent children as authorized or required by federal law; changing or adding provisions governing definitions, eligibility standards, payment levels and amounts, income disregards, budgeting methods, child support or maintenance orders; eliminating a general stepparents' support duty and coverage of the unborn; specifying medical assistance for certain pregnant women; changing calculation of certain fees paid by foreign corporations; shortening time for abandonment of unclaimed property; changing requirements for reduced transit fares for certain persons; appropriating money; amending Minnesota Statutes 1980, Sections 84B.11, Subdivision 1; 169.123, Subdivisions 5, 5a, 6, and by adding a subdivision; 176.421, Subdivision 3; 176.521, Subdivision 3, and by adding a subdivision; 184.30, Subdivision 2; 221.67; 256.12, Subdivision 14, and by adding subdivisions; 256.73, Subdivisions 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.99; 256B.07; 268.16, Subdivision 3; 278.03; 303.07; 303.13, Subdivision 1; 303.14, Subdivisions 1, 3, and 5; 303.16, Subdivisions 2 and 4; 303.17, Subdivision 4; 303.18, Subdivision 3; 303.19, Subdivisions 2 and 3; 303.21, by adding a subdivision; 303.22; 303.23, Subdivision 1; 308.06, Subdivision 4; 308.85; 317.04, Subdi-	33							

BILLS OF THE SENATE—Continued.  
THIRD SPECIAL SESSION 1981

S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	Third Special Session, 1981 Laws, Chapter
	visions 2 and 3; 317.36; 317.42, Subdivision 3; 317.67, Subdivision 2; 330.01, Subdivision 1; 345.32; 345.33; 345.34; 345.35; 345.36; 345.37; 345.38; 345.39; 345.41; 345.42, Subdivisions 2 and 3; 345.43, by adding a subdivision; 345.44; 345.55, Subdivision 3; 473.408, Subdivision 3; 540.152; and 543.08; Minnesota Statutes 1981 Supplement, Sections 3.9222, Subdivision 2; 15.052, Subdivision 5; 16A.123; 169.871, Subdivisions 3 and 5; 169.872, Subdivision 1; 174.31, Subdivisions 1 and 3; 176.081, Subdivision 7a; 176.131, Subdivision 10; 176.371; 176.421, Subdivisions 4 and 5; 176.521, Subdivisions 1 and 2; 204B.11, Subdivision 1; 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding a subdivision; 256B.06, Subdivision 1; 302A.901, Subdivision 2; and 518.551, Subdivision 7; Laws 1981, Chapters 356, Sections 45, 46, and 62, Subdivision 2; and 359, Section 3, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapters 5, 35, 256, and 345; repealing Minnesota Statutes 1980, Sections 174.24, Subdivision 4; 256.935, Subdivision 2; 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; 317.67, Subdivision 1; and 345.43; Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 174.24, Subdivision 3a; and 257.021.								
25	A bill for an act relating to taxation; providing an exception to the property tax credits limitation; amending Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 15b.	36							
26	A bill for an act relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983 with certain conditions; providing for a deficiency in income maintenance appropriations; providing for state scholarships and grants in aid; imposing and increasing fees; imposing various cost saving measures; authorizing attorney general to appear in civil weight enforcement actions; providing for judicial review of driving privilege revocations for failure to submit to chemical testing or exceeding prescribed alcohol concentration; changing certain provisions governing aid to families with dependent children as authorized or required by federal law; changing or adding provisions governing definitions, eligibility standards, payment levels and amounts; income disregards, budgeting methods, child support or maintenance orders; eliminating a general stepparents' support duty and coverage of the unborn; specifying medical assistance for certain pregnant women; changing calculation of certain fees paid by foreign corporations; shortening time for abandonment of unclaimed property; changing re-	38	42	42, 50, 51, (H 14)					



BILLS OF THE SENATE—Continued.  
THIRD SPECIAL SESSION 1981

S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	Third Special Session, 1981 Laws, Chapter
	<p>16A.15, Subdivision 1; 16A.671, Subdivisions 3 and 5; 124.2122, Subdivisions 1, 2 and 4; 124.213, Subdivision 1; 169.871, Subdivisions 3 and 5; 169.872, Subdivision 1; 174.31, Subdivisions 1 and 3; 176.081, Subdivision 7a; 176.131, Subdivision 10; 176.371; 176.421, Subdivisions 4 and 5; 176.521, Subdivisions 1 and 2; 204B.11, Subdivision 1; 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding a subdivision; 256B.06, Subdivision 1; 273.13, Subdivisions 6, 7, and 15b; 290.01, Subdivision 20; 290.06, Subdivision 2d; 290.09, Subdivisions 1, 4 and 7; 290.091; 290.17, Subdivision 2; 290.21, Subdivision 4; 297A.25, Subdivision 1; 302A.901, Subdivision 2; 477A.03, Subdivision 2; and 518.551, Subdivision 7; and Laws 1981, Chapters 356, Sections 45, 46, and 62, Subdivision 2; 358, Article 7, Section 29; 359, Section 3, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapters 5, 35, 256, and 345; repealing Minnesota Statutes 1980, Sections 174.24, Subdivision 4; 256.935, Subdivision 2; 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; 317.67, Subdivision 1; and 345.43, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.20, Subdivision 3; 124.781; 174.24, Subdivision 3a; 257.021; 275.125, Subdivision 2f; 290.08, Subdivision 25; and 290A.04, Subdivision 2d; Laws 1981 Chapter 358, Article 1, Section 50; Article 2, Section 15; Article 3, Section 21; Article 4, Section 12; Article 5, Section 48; Article 6, Section 46; Article 8, Section 20; and Laws 1981, First Special Session, Chapter 2, Sections 2 and 9.</p>								
27	<p>A bill for an act relating to education; authorizing school boards to transfer interest earnings from the capital expenditure fund and the debt redemption fund to the general fund of the district.</p>	40		54					
28	<p>A bill for an act relating to the operation and financing of state government, local government and school districts; reducing certain appropriations; transferring certain appropriations reductions to the general fund; cancelling the appropriation of certain funds presently allotted to agencies for consultant contracts; mandating the layoff of certain persons in the unclassified civil service; providing for the reduction of appropriated educational aids; suspending grandfather aid, replacement aid, and aid attributable to AFDC pupil units for school years 1981-1982 and 1982-1983; authorizing supplemental aid to school districts for school years 1981-1982 and 1982-1983; establishing payment of supplemental aid; increasing minimum awards for scholarships and</p>	154							



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## SENATE RECORD OF HOUSE BILLS THIRD SPECIAL SESSION 1981

H. F. No.	TITLE	Received from House	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Third Special Session, 1981 Laws, Chapter
1	A bill for an act relating to the financing of government in this state; requiring notification of legislative committees of unallotments and payment deferrals; permitting homestead credit reimbursement of certain special levies in excess of 108 percent and permitting recertification of the levies; clarifying the application of the taxable net income adjustment factor to fiscal year taxpayers and its computation for 1981; directing the commissioner of finance to pay by February 26, 1982, certain state aids and payments to local government for calendar year 1981; granting local governments temporary borrowing authority; permitting private sales of school district tax and aid anticipation certificates through June 30, 1983; repealing limitations on the amount of school district tax and aid anticipation certificates; defining vans and pickup trucks; providing for the registration and taxation of certain vans and passenger automobiles; correcting references to the taxation of farm trucks and commercial zone combinations; defining urban trucks; and certain collector's vehicles entitled to collector license plates; amending Minnesota Statutes 1980, Sections 16A.15, by adding a subdivision; 168.011, by adding subdivisions; 168.10, Subdivision 1c; and Minnesota Statutes 1981 Supplement, Sections 168.011, Subdivisions 7 and 10; 168.013, Subdivisions 1c, 1e, and 1i; 273.13, Subdivision 15b; 290.18, Subdivision 4; and Laws 1981, Chapter 358, Article 7, Section 29, and First Special Session Laws 1981, Chapter 1, Article 1, Section 5; repealing Minnesota Statutes 1981 Supplement, Section 124.781.	232	233	233	233	234		1
2	A bill for an act relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983 with certain conditions; providing for a deficiency in income maintenance appropriations; imposing and increasing fees; imposing various cost saving measures; requiring the board of regents of the university, the state university board, the community college board and the state board for vocational education to develop plans for declining enrollment; providing that parties to administrative hearings will bear the cost of court reporters under certain circumstances; authorizing attorney general to appear in civil weight enforcement actions; modifying certain procedures for appeals of workers' compensation orders; providing certain workers' compensation settlements are conclusively presumed reasonable; modifying approval by the commissioner of labor and industry of the settlement of certain workers' compensation claims; eliminating the requirement that the commissioner of veterans affairs provide certain grave markers; providing for a medical assistance drug formulary and fixed dis-	37	38	153	38, 153, 158a, 231a	231 348	234, 235, 250*, 346, 348	2



**SENATE RECORD OF HOUSE BILLS—Continued.  
THIRD SPECIAL SESSION 1981**

H. F. No.	TITLE	Received from House	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Third Special Session, 1981 Laws, Chapter
	<p>pending fee; changing eligibility standards for medical assistance; changing calculation of certain fees paid by foreign corporations; shortening time for abandonment of unclaimed property; reducing rate of retirement contributions relating to state employees; changing requirements for reduced transit fares for certain persons; increasing the property tax mill rate of the transit taxing district; repealing review of administrative rules for business licenses; authorizing the transfer of certain funds appropriated to the higher education coordinating board for obligations under interstate tuition reciprocity agreements; altering the recognition of school district tax revenue; reducing state aids for education in fiscal year 1983 by one-third of the June, 1983 school district tax settlements; requiring payment of 70 percent of the estimated school district tax receipts within 15 days after the settlement date; establishing a cash flow loan fund; reducing education aid appropriations for fiscal year 1983; requiring the commissioner of finance to pay by June 30, 1982 any payments that were suspended, authorizing the commissioner of education to suspend certain education aids in December, 1981 and January, 1982; authorizing the commissioner of education to consider cash flow requirements of each recipient in determining whether to suspend education aids; requiring the commissioner to issue certificates of aid; providing for legislative review of educational mandates; removing the prohibition against unallotment of education aids; changing the formula allowance; authorizing recertification to increase the basic maintenance and transportation levies; limiting the foundation aid appropriations for fiscal years 1984 and 1985; increasing the rate of interest on unpaid taxes; conforming with federal treatment of commodity tax straddles, capital gains deduction, and interest deduction; allowing limited use of ACRS; reducing the corporate income tax rate; imposing an income tax surtax; providing a research and development credit; providing for taxation of unitary business income; modifying estate tax to conform with federal estate tax changes; prohibiting the commissioner of revenue from adopting certain depreciation schedules by rule; requiring payment of certain income and sales taxes pending appeal; reducing the maximum local aid appropriation; extending local government property tax levy limitations; making certain modifications to the levy limitations base; adjusting homestead credit appropriations; reducing aid payments to certain counties; repealing exemption of certain town levies; increasing the sales tax on coin-operated vending machines; extending the sales tax on cigarettes; accelerating the June sales tax liability for certain vendors; providing</p>							

SENATE RECORD OF HOUSE BILLS—Continued.  
THIRD SPECIAL SESSION 1981

H. F. No.	TITLE	Received from House	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Third Special Session, 1981 Laws: Chapter
	<p>that farm income is wholly apportioned to Minnesota, authorizing general fund loans to the state building fund; removing the dollar limitation on state short-term borrowing; appropriating money; amending Minnesota Statutes 1980, Sections 16A.63, 40.03, Subdivision 2; 121.904, by adding subdivisions; 176.421, Subdivision 3; 176.521, by adding a subdivision; 184.30, Subdivision 2; 197.23, 221.67; 268.16, Subdivision 3; 275.125, Subdivision 5, and by adding a subdivision; 276.11, 278.03; 290.06, by adding a subdivision; 290.16, Subdivisions 4, 15, and 16; 290.34, Subdivision 2; 290.361, Subdivision 2; 291.015; 291.051, Subdivision 1; 291.09, Subdivision 1a; 291.132, Subdivision 4; 297A.39, Subdivision 1; 298.294; 299.08; 299.10; 303.07, 303.13, Subdivision 1; 303.14, Subdivisions 1, 3, and 5; 303.16, Subdivisions 2 and 4; 303.17, Subdivision 4; 303.18, Subdivision 3; 303.19, Subdivisions 2 and 3; 303.21, by adding a subdivision; 303.22; 303.23, Subdivision 1; 308.06, Subdivision 4; 308.85; 317.04, Subdivisions 2 and 3; 317.36; 317.42, Subdivision 3; 317.67, Subdivision 2; 330.01, Subdivision 1; 340.492; 345.32; 345.33; 345.34; 345.37; 345.38; 345.39; 352.04, Subdivisions 2 and 3; 352.92, Subdivisions 1 and 2; 352D.09, Subdivision 7; 473.408, Subdivision 3; 540.152; 543.08; Minnesota Statutes 1981 Supplement, Sections 3.9222, Subdivision 2; 15.052, Subdivision 5; 16A.15, Subdivision 1; 16A.128; 16A.671, Subdivisions 1, 3, 5, and by adding a subdivision; 124.2121, Subdivisions 4 and 5; 124.2122, Subdivisions 1 and 2; 124.2124, Subdivision 1; 124.2125, Subdivision 1; 124.225, Subdivision 8a; 169.871, Subdivisions 3 and 5; 169.872, Subdivision 1; 174.24, Subdivision 3a; 174.31, Subdivisions 1 and 3; 176.131, Subdivision 10; 176.421, Subdivisions 4 and 5; 176.521, Subdivisions 1 and 2; 204B.11, Subdivision 1; 256B.02, Subdivision 8; 256B.06, Subdivision 1; 270.75; 275.50, Subdivision 5; 275.51, Subdivisions 1 and 3e; 290.01, Subdivision 20; 290.06, Subdivision 1; 290.09, Subdivisions 3 and 7; 290.091; 290.17, Subdivision 2; 290.21, Subdivision 4; 290.53, Subdivision 1; 291.005, Subdivision 1; 291.03; 297A.02; 297A.25, Subdivision 1; 302A.901, Subdivision 2; 352D.04, Subdivision 2; 473.446, Subdivision 1; 477A.03, Subdivision 2; Laws 1981, Chapters 356, Section 45 and 46; 359, Section 3, Subdivision 3; Laws 1981, First Special Session, Chapter 1, Article III, Section 3, Subdivision 6; proposing new law coded in Chapters 5, 35, 290, and 297A; repealing Minnesota Statutes 1980, Sections 7.08; 291.051, Subdivisions 2 and 3; 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; 317.67, Subdivision</p>							

SENATE RECORD OF HOUSE BILLS—Continued.  
THIRD SPECIAL SESSION 1981

H. F. No.	TITLE	Received from House	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Third Special Session, 1981 Laws, Chapter
	1: Minnesota Statutes 1981 Supplement, Sections 3.965, Subdivision 6; 124.20, Subdivision 3; 275.125, Subdivision 2f; 275.515; 362.453; and Laws 1981, Chapter 354, Section 3.							
4	A bill for an act relating to public welfare: changing certain provisions governing aid to families with dependent children as authorized or required by federal law; changing or adding provisions governing definitions, eligibility standards, payment levels, and amounts, income disregards, budgeting methods, child support or maintenance orders; eliminating a stepparents' general support duty and specifying the amount of stepparent income to be considered available in determining need; eliminating coverage of the unborn; extending medical assistance coverage to certain pregnant women; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14, and by adding subdivisions; 256.73, Subdivision 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.99, and 256B.07; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding a subdivision; 256B.06, Subdivision 1; and 518.551, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 256; repealing Minnesota Statutes 1980, Section 256.935, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 257.021.	42	42	153	42, 153, 237, 238a	249 364	347, 348, 352*	3
14	A bill for an act relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983 with certain conditions; providing for a deficiency in income maintenance appropriations; providing for state scholarships and grants-in-aid; imposing and increasing fees; imposing various cost saving measures; requiring the board of regents of the university, the state university board, the community college board and the state board for vocational education to develop plans for declining enrollment; providing that parties to administrative hearings will bear the cost of court reporters under certain circumstances; authorizing attorney general to appear in civil weight enforcement actions; modifying certain procedures for appeals of workers' compensation orders; providing certain workers' compensation settlements are conclusively presumed reasonable; modifying approval by the commissioner of labor and industry of the settlement of certain workers' compensation claims; eliminating the requirement that the commissioner of veterans affairs provide certain grave markers; changing certain provisions governing aid to families with dependent children as authorized or required by federal law; changing or adding provisions governing definitions, eligibility standards, payment levels and	50	50	51	51a	51 151	52, 54, 58* Veto	

SENATE RECORD OF HOUSE BILLS—Continued.  
THIRD SPECIAL SESSION 1981

H. F. No.	TITLE	Received from House	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Third Special Session, 1981 Laws, Chapter
	<p>amounts, income disregards, budgeting methods, child support or maintenance orders; eliminating a general stepparents' support duty and coverage of the unborn; specifying medical assistance for certain pregnant women, changing calculation of certain fees paid by foreign corporations; shortening time for abandonment of unclaimed property; changing requirements for reduced transit fares for certain persons; increasing the property tax mill rate of the transit taxing district, authorizing the transfer of certain funds from the salary supplement; repealing review of administrative rules for business licenses; authorizing the transfer of certain funds appropriated to the higher education coordinating board for obligations under interstate tuition reciprocity agreements; providing for the reduction of education aids; changing formula allowance, raising the basic maintenance mill rate; establishing an equalizing factor; extending dates of exemption from public sale of certificates of indebtedness; authorizing re-certification of levy; altering the recognition of school district tax revenue; requiring payment of 70 percent of the estimated school district tax receipts within 15 days after the settlement date; establishing a cash flow loan fund; delaying education aid payments; providing that homestead credit applies to certain special levies; eliminating the individual housing account provisions; providing an additional adjustment of individual income tax brackets; modifying the income taxation of commodity tax straddles; clarifying the application and computation of the taxable net income adjustment factor; prohibiting the commissioner of revenue from adopting certain depreciation schedules by rule; requiring payment of certain income and sales taxes pending appeal; increasing the excise taxes on cigarettes; reducing the maximum local aid appropriation; requiring payments of local aids and authorizing local borrowing in anticipation of the aids; altering the method of taxing the income of certain oil companies by prohibiting their use of certain deductions, and of the arithmetic average, requiring the use of combined worldwide income by corporations; providing that farm income is wholly apportioned to Minnesota; removing the dollar limitation on state short-term borrowing; appropriating money; amending Minnesota Statutes 1980, Sections 121.904, by adding a subdivision; 176.421, Subdivision 3; 176.521, by adding a subdivision; 184.30, Subdivision 2; 197.23; 221.67; 256.12, Subdivision 14, and by adding subdivisions; 256.73, Subdivisions 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.99; 256B.07; 268.16, Subdivision 3; 276.11; 278.03; 290.01, by adding a subdivision; 290.19, Subdivision 1; 290.34, Subdi-</p>							

**SENATE RECORD OF HOUSE BILLS—Continued.  
THIRD SPECIAL SESSION 1981**

H. F. No.	TITLE	Received from House	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Third Special Session, 1981 Laws Chapter.
	<p>vision 2; 297.02, by adding a subdivision; 297.13, Subdivision 1; 297.22, by adding a subdivision; 297.26; 297A.39, Subdivision 1; 303.07; 303.13, Subdivision 1; 303.14, Subdivisions 1, 3, and 5; 303.16, Subdivisions 2 and 4; 303.17, Subdivision 4; 303.18, Subdivision 3; 303.19, Subdivisions 2 and 3; 303.21, by adding a subdivision; 303.22; 303.23, Subdivision 1; 308.06, Subdivision 4; 308.85; 317.04, Subdivisions 2 and 3; 317.36, 317.42, Subdivision 3; 317.67, Subdivision 2; 330.01, Subdivision 1; 345.32; 345.33; 345.34; 345.37; 345.38; 345.39; 473.408, Subdivision 3; 540.152; and 543.08; Minnesota Statutes 1981 Supplement, Sections 3.9222, Subdivision 2, 15.052, Subdivision 5, 16A.128; 16A.15, Subdivision 1; 16A.671, Subdivisions 3 and 5, 124.2121, Subdivision 4 and 5; 124.2122, Subdivisions 1 and 2; 169.871, Subdivisions 3 and 5; 169.872, Subdivision 1; 174.24, Subdivision 3a; 174.31, Subdivisions 1 and 3; 176.131, Subdivision 10; 176.421, Subdivisions 4 and 5; 176.521, Subdivisions 1 and 2; 204B.11, Subdivision 1; 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding a subdivision; 256B.06, Subdivision 1; 273.13, Subdivision 15b; 290.01, Subdivision 20; 290.06, Subdivision 2d; 290.09, Subdivisions 1, 3 and 7; 290.091; 290.17, Subdivision 2; 290.18, Subdivision 4; 290.21, Subdivision 4; 290.53, Subdivision 1; 302A.901, Subdivision 2; 473.446, Subdivision 1; 477A.03, Subdivision 2; and 518.551, Subdivision 7; and Laws 1981, Chapters 356, Sections 45, 46, and 62, Subdivision 2; 358, Articles 1, Section 50, Subdivision 3; and 7, Section 29; 359, Section 3, Subdivision 3; First Special Session, Chapter 1, Article 1, Section 5, proposing new law coded in Minnesota Statutes, Chapters 5, 35, 124, 256, 290, and 297A; repealing Minnesota Statutes 1980, Sections 121.904, Subdivision 4; 256.935, Subdivision 2; 303.08, Subdivision 3; 303.12; 303.14, Subdivision 2; 303.15; 303.21, Subdivisions 1 and 2; 317.11; 317.19, Subdivision 3; 317.43; and 317.67, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 3.965; Subdivision 6; 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136, 124.20, Subdivision 3; 124.781; 257.021; 275.125, Subdivision 2F; 290.08, Subdivision 25; and 362.453; Laws 1981, First Special Session, Chapter 2, Sections 2, Subdivision 2; and 9.</p>							

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6		16		26	[14]
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H. F. Number	S. F. Number	H. F. Number	S. F. Number	H. F. Number	S. F. Number
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**JOURNAL**  
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**SENATE**

STATE OF MINNESOTA

**SEVENTY-SECOND LEGISLATURE**

**INCLUDING FIRST AND SECOND  
SPECIAL SESSIONS**

**1982**

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# INTRODUCTION

Fifteen Senators announced that they would not seek re-election to the Senate in 1982. They were: Robert O. Ashbach, (IR), St. Paul; Otto T. Bang, Jr., (IR), Edina; Marv Hanson, (DFL), Hallock; Hubert H. Humphrey, III, (DFL), New Hope; John B. Keefe, (IR), Hopkins; Franklin J. Knoll, (DFL), Minneapolis; Steven O. Lindgren, (IR), Richfield; Marion (Mike) Menning, (DFL), Edgerton; Timothy J. Penny (DFL), New Richland; George S. Pillsbury, (IR), Wayzata; A. O. H. Setzephandt, (DFL), Bird Island; Gerry Sikorski, (DFL), Stillwater; Irving M. Stern, (DFL), St. Louis Park; Peter P. Stumpf, (DFL), St. Paul; Robert J. Tennesen, (DFL), Minneapolis.

The Third Special Session of 1981 was called by Governor Albert H. Quie and began on December 1, 1981, carried over into 1982 and adjourned on January 18, 1982. For a short period it ran concurrently with the 1982 Regular Session, which began on January 12, 1982. Two Special Sessions were called by Governor Albert H. Quie in 1982. The First Special Session lasted one day, March 30, 1982, and the Second Special Session also lasted only one day, July 9, 1982.

The political makeup of the 1982 Senate, Seventy-Second Legislature, was 44 DFL-ers and 23 Independent Republicans.

Minnesota's constitution requires that the legislature reapportion the state's congressional and legislative districts after every federal census. The new lines are drawn to reflect the population shifts of the preceding ten years and to insure optimum representation at both the state and federal levels of government. In addition, the state's political districts must be drawn in accordance with the U.S. Supreme Court's 1964 "one-man, one-vote" decision which requires political districts to be equal in population.

Overall, the 1980 census data showed an increase in Minnesota's population. The Cities of Minneapolis and St. Paul, however, experienced a population decrease while the surrounding suburbs grew. The state has a total population of 4,075,970 and, ideally, each Senate district would have 60,835 constituents. The census data thus provided a foundation for subsequent legislative proposals and judicial actions.

Members of the Senate attempted to fulfill the constitutional mandate of reapportionment by passing separate bills detailing new congressional and legislative districts. For its part, the House of Representatives passed legislation redrawing congressional district lines, but members could not reach agreement on a bill settling new legislative district boundaries. Although members of both bodies worked to reach a compromise package that would be acceptable to all four caucuses, they were unable to do so. Suit was brought (Sharon LaComb, et al v. Joan Growe, et al) and a three federal judge panel was appointed. The panel named was Eighth Circuit Judge Gerald W. Heaney and two District Court Judges, Donald D. Alsop and Harry H. McLaughlin. Both plans were handed down March 11, 1982. The legislative plan went unchallenged. The congressional plan was challenged, and on May 17, 1982 the U.S. Supreme Court upheld the federal panel's congressional redistricting plan.

# Members of the Senate

Ashbach, Robert O. (IR)\*  
 Bang, Otto T., Jr. (IR)  
 Belanger, William V., Jr. (IR)  
 Benson, Duane D. (IR)  
 Berg, Charles A. (IR)  
 Berglin, Linda (DFL)\*\*  
 Bernhagen, John (IR)  
 Bertram, Joe (DFL)  
 Brataas, Nancy (IR)  
 Chmielewski, Florian (DFL)  
 Dahl, Gregory L. (DFL)  
 Davies, Jack (DFL)  
 Davis, Charles R. (DFL)  
 Dicklich, Ronald R. (DFL)  
 Dieterich, Neil (DFL)  
 Engler, Steve (IR)  
 Frank, Don (DFL)  
 Frederick, Mel (IR)  
 Frederickson, Dennis R. (IR)  
 Hanson, Marv (DFL)  
 Hughes, Jerome M. (DFL)  
 Humphrey, Hubert H., III (DFL)  
 Johnson, Douglas J. (DFL)  
 Kamrath, Randy P. (IR)  
 Keefe, John B. (IR)  
 Knoll, Franklin J. (DFL)  
 Knutson, Howard A. (IR)  
 Kroening, Carl W. (DFL)  
 Kronebusch, Patricia Louise (IR)  
 Langseth, Keith (DFL)  
 Lantry, Marilyn M. (DFL)  
 Lessard, Bob (DFL)  
 Lindgren, Steven O. (IR)  
 Luther, William P. (DFL)

Menning, Marion (Mike) (DFL)  
 Merriam, Gene (DFL)  
 Moe, Donald M. (DFL)  
 Moe, Roger D. (DFL)  
 Nelson, Tom A. (DFL)  
 Olhoft, Wayne (DFL)  
 Pehler, James C. (DFL)  
 Penny, Timothy J. (DFL)  
 Peterson, Collin C. (DFL)  
 Peterson, Darrel L. (IR)  
 Peterson, Randolph W. (DFL)  
 Petty, Eric D. (DFL)  
 Pillsbury, George S. (IR)  
 Purfeerst, Clarence M. (DFL)  
 Ramstad, Jim (IR)  
 Renneke, Earl W. (IR)  
 Rued, Dave (IR)  
 Schmitz, Robert J. (DFL)  
 Setzepfandt, A.O.H. (DFL)  
 Sieloff, Ron (IR)  
 Sikorski, Gerry (DFL)  
 Solon, Sam G. (DFL)  
 Spear, Allan H. (DFL)  
 Stern, Irving M. (DFL)  
 Stokowski, Anne K. (DFL)  
 Stumpf, Peter P. (DFL)  
 Taylor, Glen (IR)  
 Tennesen, Robert J. (DFL)  
 Ulland, James (IR)  
 Vega, Conrad M. (DFL)  
 Waldorf, Gené (DFL)  
 Wegener, Myrton O. (DFL)  
 Willet, Gerald L. (DFL)

\*IR — Independent Republican

\*\*DFL — Democratic-Farmer-Labor

## Senate Leaders

Moe, Roger D. ....	Majority Leader
Hanson, Marv .....	Assistant Majority Leader
Nelson, Tom A. ....	Majority Whip
Sikorski, Gerry .....	Majority Whip
Ashbach, Robert O. ....	Minority Leader
Bernhagen, John .....	Assistant Minority Leader
Frederick, Mel .....	Minority Whip
Knutson, Howard A. ....	Assistant Minority Caucus Leader

# Officers of the Senate

Davies, Jack	President
Hughes, Jerome M.	President Pro Tem
Flahaven, Patrick E.	Secretary of the Senate
Mattson, Janine	First Assistant Secretary
Dworak, Patrice	Second Assistant Secretary
Raiola, Marvin F.	Sergeant at Arms
Graham, Ralph C.	Assistant Sergeant at Arms
Ganje, Kay	Engrossing Secretary
Morrison, Catherine E.	Engrossing and Appointments Clerk
McGurran, Sister Michelle	Chaplain
Desk Assistants to the Secretary of the Senate:	
Barry, Colleen J.	Third Assistant Secretary
Magnuson, Scott	Fourth Assistant Secretary

**FIFTY-EIGHTH DAY**

St. Paul, Minnesota, Tuesday, January 12, 1982

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

Prayer was offered by the Chaplain, Rev. Paul E. Schuessler.

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

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	Taylor
Berglin	Frederickson	Lindgren	Pillsbury	Tennessee
Bernhagen	Hanson	Luther	Purfeerst	Ulland
Bertram	Hughes	Menning	Ramstad	Waldorf
Brataas	Humphrey	Moe, D.M.	Renneke	Wegener
Chmielewski	Johnson	Moe, R.D.	Rued	Willet
Dahl	Kamrath	Nelson	Schmitz	
Davies	Keefe	Olhoff	Setzepfandt	
Davis	Knoll	Pehler	Sikorski	

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, Merriam, Sieloff, Stumpf and Vega were excused from the Session of today.

**MOTIONS AND RESOLUTIONS**

Mr. Keefe moved that the name of Mr. Dahl be added as a co-author to S.F. No. 409. The motion prevailed.

Mr. Pehler moved that the name of Mr. Dahl be added as a co-author to S.F. No. 783. The motion prevailed.

Mr. Chmielewski moved that S.F. No. 1474 be withdrawn from the Committee on Employment and re-referred to the Committee on Public Employees and Pensions. The motion prevailed.

Mr. Merriam moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1451. The motion prevailed.

Mr. Hanson moved that S.F. No. 744 be withdrawn from the Committee on

Taxes and Tax Laws and re-referred to the Committee on Agriculture and Natural Resources. 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. Johnson introduced—

S.F. No. 1477: A bill for an act relating to counties; fixing the maximum amount of county money that may be spent by development organizations for certain county developments; amending Minnesota Statutes 1980, Section 395.08.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Peterson, C.C. introduced—

S.F. No. 1478: A bill for an act relating to unemployment compensation; altering provisions with respect to the advance of federal funds; altering "triggers" relating to extended benefits; altering eligibility requirements for extended benefits; altering eligibility and disqualifying provisions for individuals whose training is approved under the Federal Trade Act of 1974; amending Minnesota Statutes 1980, Sections 268.05, Subdivision 6; 268.071, Subdivisions 1, 3, 5, and 6, and by adding subdivisions; 268.08, Subdivision 1; and 268.09, by adding a subdivision.

Referred to the Committee on Employment.

Messrs. Luther, Sikorski, Stern, Ashbach and Engler introduced—

S.F. No. 1479: A bill for an act relating to insurance; extending the temporary joint underwriting association act for an additional two year period; extending the termination date of certain insurance policies; amending Minnesota Statutes 1980, Sections 62F.01, Subdivision 2; and 62F.06, Subdivision 1.

Referred to the Committee on Commerce.

Messrs. Nelson; Dicklich; Peterson, C.C.; Solon and Mrs. Lantry introduced—

S.F. No. 1480: A bill for an act proposing an amendment to the Minnesota Constitution, to repeal Article XIII, Section 5; removing the prohibition against lotteries.

Referred to the Committee on General Legislation and Administrative Rules.

Messrs. Peterson, C.C.; Moe, R.D. and Hanson introduced—

S.F. No. 1481: A bill for an act relating to state government; providing a one time early retirement insurance benefit option for certain state employees; amending Minnesota Statutes 1981 Supplement, Section 43A.24, Subdivision 2.



Referred to the Committee on Public Employees and Pensions.

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. 63: A Senate resolution relating to postage.

BE IT RESOLVED, by the Senate:

For the 1982 session of the 72nd Legislature, the Secretary of the Senate may purchase postage to furnish each member of the Senate 3,000 stamps. Each member named as chairman of a standing committee in the Senate resolution designating committee assignments may be furnished with an additional 1,000 stamps for the necessary business of the committee.

An additional postage allowance of 1,000 stamps is authorized for the Minority Leader of the Senate, Mr. Ashbach; the Assistant Majority Leader, Mr. Hanson; the Assistant Minority Leader, Mr. Bernhagen; the Minority Whip, Mr. Frederick; and for the Assistant Minority Caucus Leader, Mr. Knutson.

Each member of the Senate shall receipt to the Secretary of the Senate for the postage received.

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

The motion prevailed. So the resolution was adopted.

Mr. Moe, R.D. introduced—

Senate Resolution No. 64: A Senate resolution relating to expenses of interns.

BE IT RESOLVED, by the Senate:

For the 1982 session of the 72nd Legislature, each member of the Senate may be reimbursed for the cost of meals and transportation furnished by the member to any volunteer interns assisting with the member's work, up to a

maximum of \$35 during each week the Legislature is in session.

Requests for reimbursement shall be submitted to the Secretary of the Senate monthly on forms provided for this purpose and shall include a certification by the member that the amounts for which reimbursement is sought have been paid to the interns.

The Secretary of the Senate shall prepare and issue warrants for payment of intern expenses from the Senate legislative expense fund.

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

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 inform the Senate that the House of Representatives invites and is ready to meet with the Senate in Joint Convention at 11:45 a.m., Wednesday, January 13, 1982, to receive the message of the Honorable Albert H. Quie, Governor of the State of Minnesota, which will be delivered at 12:00 noon.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 12, 1982

Mr. Moe, R.D. moved that the Senate accede to the request of the House of Representatives to meet in Joint Convention in the House Chamber at 11:45 a.m., Wednesday, January 13, 1982, to receive the message of the Honorable Albert H. Quie, Governor of the State of Minnesota. The motion prevailed.

Mr. President:

I have the honor to announce that the House has appointed a committee of five members of the House to act with a similar committee on the part of the Senate to escort the Governor to the Joint Convention to be held in the House Chamber, Wednesday, January 13, 1982, said Joint Convention to be con-

vened at 11:45 a.m. and said message of the Governor to be delivered at 12:00 noon.

Carlson, D.; Laidig; Johnson, D.; Vanasek and Gustafson have been appointed as members of such committee on the part of the House.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 12, 1982

Mr. Moe, R.D. introduced—

Senate Resolution No. 65 : A Senate resolution relating to appointment of a committee to escort the Governor to the House Chamber for a Joint Convention.

BE IT RESOLVED, by the Senate:

The President of the Senate shall appoint a committee of five members of the Senate to act with a like committee on the part of the House of Representatives to escort the Honorable Albert H. Quie, Governor of the State of Minnesota, to the House Chamber on the occasion of the Joint Convention on Wednesday, January 13, 1982, at 12:00 noon.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

### APPOINTMENTS

Pursuant to Senate Resolution No. 65, adopted by the Senate January 12, 1982; the President appointed the following committee to escort the Honorable Albert H. Quie, Governor of the State of Minnesota, to the Joint Convention:

Messrs. Petty, Berg, Mrs. Brataas, Messrs. Frank and Purfeerst.

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. Pillsbury introduced—

S.F. No. 1482: A bill for an act relating to local government; providing initial conditions for the establishment of charter commissions and charters; amending Minnesota Statutes 1980, Section 410.05, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Nelson introduced—

S.F. No. 1483: A bill for an act relating to public employees; authorizing school districts to renegotiate certain teacher contracts.

Referred to the Committee on Public Employees and Pensions.

Mr. Fredrickson introduced—

S.F. No. 1484: A bill for an act relating to Independent School District No. 084, Sleepy Eye; requiring revision of its certified statutory operating debt.

Referred to the Committee on Education.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:30 a.m., Wednesday, January 13, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**FIFTY-NINTH DAY**

St. Paul, Minnesota, Wednesday, January 13, 1982

The Senate met at 11:30 a.m. and was called to order by the President.

**CALL OF THE SENATE**

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

The President declared a quorum present.

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

**MEMBERS EXCUSED**

Mr. Sieloff was excused from the Session of today.

**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. 604 and repassed said bill in accordance with the report of the Committee, so adopted.

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.

House File No. 604 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1981

Mrs. Stokowski moved that H.F. No. 604 and the Conference Committee Report thereon be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce that the House has refused to adopt the Conference Committee report on the following Senate File and has voted that the bill be returned to the Senate and to the Conference Committee:

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 January 12, 1982

Mr. Moe, R.D. moved that S.F. No. 818 be returned to the Conference Committee as formerly constituted. 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. 1454.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1981

### FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H.F. No. 1454: 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.

Referred to the Committee on Judiciary.

### MOTIONS AND RESOLUTIONS

Mr. Pehler introduced—

Senate Resolution No. 66: A Senate resolution recognizing the work of St. Cloud residents on behalf of the handicapped and urging continued legislative efforts in their behalf.

Referred to the Committee on Rules and Administration.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

indicated.

Messrs. Peterson, C.C.; Johnson; Hanson; Moe, R.D. and Frederickson introduced—

S.F. No. 1485: A bill for an act relating to taxation; classifying industrial employment property for the purpose of assessment and taxation; amending Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 9; proposing new law coded in Minnesota Statutes, Chapter 273.

Referred to the Committee on Taxes and Tax Laws.

Mr. Nelson introduced—

S.F. No. 1486: A bill for an act relating to taxation; removing the provision that a school referendum levy may be held only once for each school year; amending Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 2d.

Referred to the Committee on Education.

Mr. Ulland introduced—

S.F. No. 1487: A bill for an act relating to taxation; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ulland introduced—

S.F. No. 1488: A bill for an act relating to real property; providing procedures for termination of contracts for deed; eliminating the requirement of 12 point or larger bold type in published notice; amending Minnesota Statutes 1980, Section 559.21, Subdivision 4.

Referred to the Committee on Judiciary.

Mr. Ulland introduced—

S.F. No. 1489: A bill for an act relating to taxation; repealing the individual homeowners account provisions; amending Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 20; and 290.17, Subdivision 2; repealing Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; and 290.08, Subdivision 25.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Lindgren and Ashbach introduced—

S.F. No. 1490: A bill for an act relating to the organization of state government; providing that the commissioner of finance may be removed only for cause after notice and hearing; amending Minnesota Statutes 1980, Section 16A.01, Subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Lindgren introduced—

S.F. No. 1491: A bill for an act relating to education; authorizing transportation aid for pupils who reside one mile or more from the school attended; amending Minnesota Statutes 1981 Supplement, Section 124.223.

Referred to the Committee on Education.

Mr. Lindgren introduced—

S.F. No. 1492: A bill for an act relating to education; altering the election selected to determine the number of voters needed to sign a petition for the purpose of calling a referendum for a discretionary levy; amending Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 7a.

Referred to the Committee on Education.

Mr. Solon introduced—

S.F. No. 1493: A bill for an act relating to health; allowing payment for mental health center services through general assistance medical care; amending Minnesota Statutes 1981 Supplement, Sections 256B.02, Subdivision 8; and 256D.03, Subdivision 4.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Dicklich introduced—

S.F. No. 1494: A bill for an act relating to retirement; Buhl school district; altering the effective date of retirement for the payment of the post-retirement increase; requiring payment of necessary reserves.

Referred to the Committee on Public Employees and Pensions.

Messrs. Olhoft; Peterson, C.C.; Humphrey; Chmielewski and Ramstad introduced—

S.F. No. 1495: A bill for an act relating to crimes; requiring mandatory jail sentences for persons convicted of driving while under the influence of alcohol or a controlled substance; prescribing penalties; amending Minnesota Statutes 1980, Section 169.121, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 169.121, Subdivision 5; and 609.135, Subdivision 1.

Referred to the Committee on Judiciary.

## APPOINTMENT

The President appointed Mrs. Kronebusch to replace Mrs. Brataas on the committee to escort the Governor to the House Chamber for a Joint Convention.

## RECESS

Mr. Moe, R.D. moved that the Senate do now recess until immediately after the conclusion of the Joint Convention. The motion prevailed.

The Senate reconvened at the appropriate time.



**MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Nelson moved that the Senate do now adjourn until 11:00 a. m., Thursday, January 14, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTIETH DAY

St. Paul, Minnesota, Thursday, January 14, 1982

The Senate met at 11:00 a.m. and was called to order by the President.

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

Ashbach	Dicklich	Kronebusch	Penny	Spear
Bang	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	Tennessen
Bernhagen	Hughes	Menning	Purfeerst	Ulland
Bertram	Humphrey	Merriam	Ramstad	Vega
Brataas	Johnson	Moe, D.M.	Renneke	Waldorf
Chmielewski	Kamrath	Moe, R.D.	Rued	Wegener
Dahl	Knoll	Nelson	Schmitz	Willet
Davies	Knutson	Olhoft	Setzepfandt	
Davis	Kroening	Pehler	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. Keefe and Sieloff were excused from the Session of today.

### MOTIONS AND RESOLUTIONS

Mr. Johnson moved that the name of Mr. Chmielewski be added as a co-author to S.F. No. 1477. The motion prevailed.

Mr. Nelson moved that the names of Messrs. Ulland and Dahl be added as co-authors to S.F. No. 1486. The motion prevailed.

Mr. Ulland moved that the name of Mr. Solon be added as a co-author to S.F. No. 1487. The motion prevailed.

Mr. Ulland moved that the name of Mr. Setzepfandt be added as a co-author to S.F. No. 1488. The motion prevailed.

Mr. Ulland moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1489. The motion prevailed.

Mr. Solon moved that the names of Messrs. Ulland and Stern be added as co-authors to S.F. No. 1493. The motion prevailed.

Mr. Stumpf moved that his name be stricken as chief author and Mr. Dicklich be added as chief author to S.F. No. 497. The motion prevailed.

Mr. Knoll, Ms. Berglin and Mr. Humphrey introduced—

Senate Resolution No. 67: A Senate resolution designating January 15th as Martin Luther King Day in Minnesota.

WHEREAS, January 15 marks the birth of Martin Luther King; and,

WHEREAS, his life was devoted to the elimination of segregation and prejudice against his people; and,

WHEREAS, he sought to fulfill his goals exclusively by nonviolent means; and,

WHEREAS, his life and career were ended by assassination; and,

WHEREAS, his life and work were typified by great personal sacrifice and devotion to the welfare of his fellow man; and,

WHEREAS, the actions and efforts of Martin Luther King have served as an inspiration to the citizens of the State of Minnesota; and,

WHEREAS, many citizens and community groups of the State of Minnesota wish to recognize the great achievements in human and civil rights that were accomplished, in great part, through the efforts of Martin Luther King; NOW, THEREFORE,

BE IT RESOLVED by the Minnesota Senate that it recognizes the immense contributions of Martin Luther King in creating a high quality of life for all citizens of this country regardless of race, creed, or color.

BE IT FURTHER RESOLVED that it designates January 15, 1982, as Martin Luther King Day in the State of Minnesota.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to enroll this resolution, to be authenticated by his signature and that of the President, and that it be presented to representatives of the civil rights movement in Minnesota.

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

Mr. Solon moved that the name of Mr. Dicklich be added as a co-author to S.F. No. 1493. 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. Chmielewski introduced—

S.F. No. 1496: A bill for an act relating to game and fish; establishing permanent senior citizen recreation cards to provide free small game hunting, fishing and park admissions; amending Minnesota Statutes 1981 Supplement, Sections 85.05, Subdivision 2; and 98.47, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 98; repealing Minnesota Statutes 1980,

Section 98.45, Subdivision 8.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Chmielewski introduced—

S.F. No. 1497: A bill for an act relating to Carlton County; permitting the county to spend a certain sum for promotion of development.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Chmielewski introduced—

S.F. No. 1498: A bill for an act relating to agriculture; clarifying the food handling license requirements applicable to carnivals, circuses, and fairs; proposing new law coded in Minnesota Statutes, Chapter 28A.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Bertram, Waldorf and Schmitz introduced—

S.F. No. 1499: A bill for an act relating to motor vehicles; providing for special license plates for former prisoners of war; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 168.

Referred to the Committee on Transportation.

Mr. Nelson introduced—

S.F. No. 1500: A bill for an act relating to elections; providing for school district primaries; proposing new law coded in Minnesota Statutes, Chapter 123.

Referred to the Committee on Elections and Reapportionment.

Mr. Peterson, C.C. introduced—

S.F. No. 1501: A bill for an act relating to county court district 7A; providing for election of a county judge in Becker County.

Referred to the Committee on Judiciary.

Messrs. Dieterich, Hughes, Rued, Langseth and Merriam introduced—

S.F. No. 1502: A bill for an act relating to education; extending the period for transferring money from operating to nonoperating funds; amending Minnesota Statutes 1980, Section 121.912, Subdivisions 2 and 3.

Referred to the Committee on Education.

Mr. Peterson, R.W. introduced—

S.F. No. 1503: A bill for an act relating to game and fish; fees for firearms safety courses; amending Minnesota Statutes 1980, Section 97.85, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Berglin, Messrs. Dicklich, Purfeerst and Mrs. Lantry introduced—

S.F. No. 1504: A bill for an act relating to health; establishing the right to complete information on all alternative treatments for patients with breast cancer; amending Minnesota Statutes 1980, Section 144.651.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Belanger, by request, introduced—

S.F. No. 1505: A bill for an act relating to occupations and professions; establishing a truth and deception examiner's board; prescribing its powers and duties; providing for the regulation of persons using instruments to verify the truth of statements or detect deception; providing licensing requirements; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 326.

Referred to the Committee on Governmental Operations.

Mr. Benson introduced—

S.F. No. 1506: A bill for an act relating to public welfare; changing certain provisions governing aid to families with dependent children as authorized or required by federal law; changing or adding provisions governing definitions, eligibility standards, payment levels and amounts, income disregards, budgeting methods, child support or maintenance orders; eliminating a stepparents' general support duty and specifying the amount of stepparent income to be considered available in determining need; eliminating coverage of the unborn; extending medical assistance coverage to certain pregnant women; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14, and by adding subdivisions; 256.73, Subdivisions 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1, and by adding a subdivision; 256.99; and 256B.07; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding a subdivision; 256B.06, Subdivision 1; and 518.551, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 256; repealing Minnesota Statutes 1980, Section 256.935, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 257.021.

Referred to the Committee on Health, Welfare and Corrections.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, January 18, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTY-FIRST DAY

St. Paul, Minnesota, Monday, January 18, 1982

The Senate met at 11:00 a.m. and was called to order by the President.

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

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

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. Berg, Davis, Hanson, Humphrey, Keefe, Menning, Purfeerst, Renneke, Schmitz, Sieloff and Sikorski were excused from the Session of today.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 6: A House concurrent resolution requesting that suitable space be provided for a permanent memorial for Martin Luther King.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 14, 1982

Referred to the Committee on Rules and Administration.

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 1597.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 14, 1982

### FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H.F. No. 1597: A bill for an act relating to public welfare; changing certain provisions governing aid to families with dependent children as authorized or required by federal law; changing or adding provisions governing definitions, eligibility standards, payment levels and amounts, income disregards, budgeting methods, child support or maintenance orders; eliminating a stepparents' general support duty and specifying the amount of stepparent income to be considered available in determining need; eliminating coverage of the unborn; extending medical assistance coverage to certain pregnant women; amending Minnesota Statutes 1980, Sections 256.12, Subdivision 14, and by adding subdivisions; 256.73, Subdivisions 3a, 5, and 6; 256.736, Subdivisions 3 and 4; 256.74, Subdivision 1; and by adding a subdivision; 256.99; and 256B.07; Minnesota Statutes 1981 Supplement, Sections 256.73, Subdivision 2; 256.872, Subdivision 1, and by adding a subdivision; 256B.06, Subdivision 1; and 518.551, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 256; repealing Minnesota Statutes 1980, Section 256.935, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 257.021.

Referred to the Committee on Health, Welfare and Corrections.

### REPORTS OF COMMITTEES

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

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

S.F. No. 1015: A bill for an act relating to civil actions; limitations of actions; providing that actions for malpractice against health care professionals be commenced within two years; amending Minnesota Statutes 1980, Section 541.07.

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

Page 1, lines 16 and 21, reinstate the stricken language

Page 1, line 16, after "dentists" insert "*and other*"

Page 1, line 17, delete "*those terms are*"

Page 1, line 21, after "dentist" insert "*or other*"

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

Page 2, line 9, strike ", in such case, to run" and insert "*runs*"

Page 2, line 14, strike "as used herein shall mean" and insert "*means*"

Page 2, line 18, strike "as used herein, shall mean" and insert "means"

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

## SECOND READING OF SENATE BILLS

S.F. No. 1015 was read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Stumpf moved that the name of Mr. Penny be added as a co-author to S.F. No. 1387. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Lessard be added as a co-author to S.F. No. 1496. The motion prevailed.

Ms. Berglin moved that the name of Mr. Stern be added as a co-author to S.F. No. 1504. The motion prevailed.

Ms. Berglin and Mr. Knöll introduced—

Senate Concurrent Resolution No. 7: A Senate concurrent resolution requesting that suitable space be provided for a permanent memorial for Martin Luther King.

Referred to the Committee on Rules and Administration.

Mr. Davies moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1457. The motion prevailed.

Mr. Johnson moved that the name of Mr. Dicklich be added as a co-author to S.F. No. 1375. 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. Peterson, C.C.; Solon and Stern introduced—

S.F. No. 1507: A bill for an act relating to commerce; regulated loans; extending a prohibition on certain types of first liens taken on regulated loans to industrial loan and thrift companies and clarifying this prohibition to exclude loans used to satisfy the balance due on a contract for deed; applying the statutory provisions relating to conventional loan defaults to regulated loans; clarifying the method for the computation of interest; allowing the combination of loans of different maturities and interest rates; prohibiting attorney's fees except in connection with mortgage foreclosures; placing certain restrictions on the procurement of insurance in connection with a loan; providing miscellaneous technical and clarifying amendments; and eliminating a duplicative provision; amending Minnesota Statutes 1980, Section 53.04, Subdivision 5; and Minnesota Statutes 1981 Supplement, Sections 53.01; 53.04, Subdivision 3a; 56.12; 56.131, Subdivisions 1, 3, and 5; 56.14; 56.155; 334.02; and 334.03; proposing new law coded in Minnesota Statutes, Chapter 56.



Referred to the Committee on Commerce.

Messrs. Schmitz; Peterson, C.C.; Renneke; Humphrey and Chmielewski introduced—

S.F. No. 1508: A bill for an act relating to veterans; establishing information and referral assistance programs; authorizing limited studies; mandating annual reports; establishing an Agent Orange information and assistance section in the department of veterans affairs; providing Agent Orange information to health professionals; providing genetic information and counseling; classifying certain information as confidential; authorizing certain class actions; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 196.

Referred to the Committee on Veterans' Affairs.

Mr. Petty, Mrs. Lantry, Mr. Frank, Ms. Berglin and Mr. Sikorski introduced—

S.F. No. 1509: A bill for an act relating to health; directing the commissioner of health to establish certain regional screening programs related to the use of diethylstilbestrol; proposing new law coded in Minnesota Statutes, Chapter 145.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Vega, Purfeerst, Engler and Belanger introduced—

S.F. No. 1510: A bill for an act relating to highway traffic regulations; removing certain requirements for bug deflectors; amending Minnesota Statutes 1980, Section 169.743.

Referred to the Committee on Transportation.

Mr. Johnson introduced—

S.F. No. 1511: A bill for an act relating to Independent School District No. 708; requiring certification of statutory operating debt.

Referred to the Committee on Education.

Mr. Johnson introduced—

S.F. No. 1512: A bill for an act relating to education; authorizing a school district to decrease a school day by one hour for teacher in-service training; requiring that any time lost shall be replaced by extending other school days or by additional days; amending Minnesota Statutes 1980, Section 124.19, Subdivision 4; and by adding a subdivision.

Referred to the Committee on Education.

Messrs. Bernhagen, Schmitz, Bang, Johnson and Frederickson introduced—

S.F. No. 1513: A bill for an act relating to taxidermy; changing certain reporting requirements; amending Minnesota Statutes 1980, Section 98.51,

## Subdivision 3.

Referred to the Committee on Governmental Operations.

Messrs. Chmielewski; Johnson; Willet; Moe, R.D. and Lessard introduced—

S.F. No. 1514: A bill for an act relating to public works; extending the availability of an appropriation to the city of Cloquet for the purpose of constructing a public water facility; repealing Third Special Session Laws 1981, Chapter 2, Article I, Section 76.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Schmitz; Wegener; Peterson, C.C.; Mrs. Brataas and Mr. Taylor introduced—

S.F. No. 1515: A bill for an act relating to taxation; altering the date on which warrants are issued to the sheriff for collection of certain delinquent mobile home property taxes; amending Minnesota Statutes 1980, Section 274.19, Subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Humphrey, Merriam, Willet and Luther introduced—

S.F. No. 1516: A bill for an act relating to environmental protection; establishing primary and secondary ambient air quality standards; proposing new law coded in Minnesota Statutes, Chapter 116.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Chmielewski, Wegener, Frederick and Rued introduced—

S.F. No. 1517: A bill for an act relating to workers' compensation; limiting the liability of the state and its political subdivisions when evidence of workers' compensation insurance is not required of contractors and licensees; amending Minnesota Statutes 1981 Supplement, Section 176.182.

Referred to the Committee on Employment.

Messrs. Setzepfandt, Wegener, Chmielewski and Rued introduced—

S.F. No. 1518: A bill for an act relating to industrial development; extending the industrial development law to all towns; amending Minnesota Statutes 1980, Section 474.02, Subdivision 2.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Chmielewski introduced—

S.F. No. 1519: A bill for an act relating to juries; authorizing petit juries composed of 12 persons in civil actions; amending Minnesota Statutes 1980, Section 593.01, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced—

S.F. No. 1520: A bill for an act relating to unemployment compensation; regulating benefit deductions for national guard and military reserve pay; amending Minnesota Statutes 1980, Section 268.07, Subdivision 2.

Referred to the Committee on Employment.

Messrs. Dieterich; Peterson, R.W.; Dahl; Merriam and Frederickson introduced—

S.F. No. 1521: A bill for an act relating to crimes; defining "complainant" for purposes of criminal sexual misconduct offenses; amending Minnesota Statutes 1980, Section 609.341, Subdivision 13.

Referred to the Committee on Judiciary.

Messrs. Wegener, Willet, Humphrey, Rued and Renneke introduced—

S.F. No. 1522: A bill for an act relating to local government; permitting towns to self insure in the same way as other political subdivisions; amending Minnesota Statutes 1980, Sections 471.98, Subdivision 2; and 471.981, by adding a subdivision.

Referred to the Committee on Commerce.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Thursday, January 21, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTY-SECOND DAY

St. Paul, Minnesota, Thursday, January 21, 1982

The Senate met at 11:00 a.m. and was called to order by the President.

### CALL OF THE SENATE

Mr. Merriam 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. James D. Gorman.

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

Ashbach	Dicklich	Kroening	Peher	Sikorski
Bang	Dieterich	Kronebusch	Penny	Solon
Belanger	Engler	Langseth	Peterson, D.L.	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
Brataas	Humphrey	Merriam	Renneke	Ulland
Chmielewski	Kamrath	Moe, D.M.	Rued	Vega
Dahl	Keefe	Moe, R.D.	Schmitz	Waldorf
Davies	Knoll	Nelson	Setzepfandt	Wegener
Davis	Knutson	Olhoft	Sieloff	Willet

The President declared a quorum present.

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

### MEMBERS EXCUSED

Messrs. Johnson and Peterson, C.C. were excused from the Session of today. Messrs. Knutson and Stern were excused from the Session of today until 11:30 a.m. Mr. Sieloff was excused from the Session of today from 11:00 to 11:25 a.m.

### MESSAGES FROM THE HOUSE

Mr. President:

Pursuant to Joint Rule 3.02, the Conference Committee on H.F. No. 678 was discharged after adjournment May 18, 1981 and the bill was laid on the table.

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.

I have the honor to announce that on January 18, 1982, H.F. No. 678 was taken from the table and new House conferees were appointed.

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 January 18, 1982

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 the passage by the House of the following House File, herewith transmitted: H.F. No. 1612.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 18, 1982

### FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H.F. No. 1612: A resolution memorializing the life and work of Sigurd F. Olson.

Referred to the Committee on Rules and Administration.

### REPORTS OF COMMITTEES

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

Mr. Stumpf from the Committee on Elections and Reapportionment, to which was referred

S.F. No. 1387: 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; 2.801; and 2.811.

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

follows:

Delete everything after the enacting clause and insert:

“Section 1. [2.732] [LEGISLATIVE FINDINGS.]

*The legislature finds that the state of Minnesota is divided into two main communities of interest: the seven-county metropolitan area consisting of the counties of Hennepin, Ramsey, Dakota, Washington, Anoka, Carver and Scott, and the outstate area, consisting of the eighty other counties. The legislature further finds that the population of the state is generally equally divided between these two main communities of interest, and that to ensure that the residents of the state of Minnesota receive the most effective representation in the Congress of the United States of America, that the congressional district boundaries should reflect these two main communities of interest; that the current congressional district boundaries result in a fragmentation of the representation of these two communities of interest in that seven of the eight current congressional districts encompass all or part of both of the two main communities of interest; that to alleviate this fragmentation of representation the legislature finds that the eight congressional districts should be allocated to each of the two main communities of interest on an equal basis with four congressional districts encompassing the seven-county metropolitan area and the counties of Chisago and Isanti to ensure population equality, and four congressional districts allocated to the remaining seventy-eight-county outstate area.*

Sec. 2. Minnesota Statutes 1980, Section 2.741, is amended to read:

2.741 [FIRST DISTRICT.]

The first congressional district shall consist of the counties of *Blue Earth, Dodge, Faribault, Fillmore, Freeborn, Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha, Washington, Waseca, and Winona, and that portion of the county of Dakota Goodhue not included in the second congressional district, that portion of the county of LeSueur consisting of the cities of Heidelberg, Kilkenny, Montgomery, New Prague and Waterville, and the townships of Derrynane, Kilkenny, Lanesburgh, Montgomery and Waterville, and that portion of the county of Nicollet consisting of the cities of Mankato and North Mankato.*

Sec. 3. Minnesota Statutes 1980, Section 2.751, is amended to read:

2.751 [SECOND DISTRICT.]

The second congressional district shall consist of the counties of *Blue Earth, Brown, Carver, Faribault, Freeborn, LeSueur, Martin, McLeod, Mower, Nicollet, and Scott, Sibley, Waseca, and Watonwan, and that portion of the county of Dakota consisting of the towns of Egan and Eureka, and the cities of Apple Valley, Burnsville, Farmington, and Lakeville not included in the fourth congressional district, that portion of the county of Goodhue consisting of the city of Cannon Falls and the townships of Cannon Falls and Stanton, and that portion of the county of Hennepin consisting of the cities of Deephaven, Excelsior, Greenwood, Long Lake, Minnetrista, Mound, Orono, St. Bonifacius, Shorewood, Spring Park, Tonka Bay, and Woodland, and the cities of Minnetonka Beach and Wayzata not included in the third or fifth congressional districts.*

Sec. 4. Minnesota Statutes 1980, Section 2.761, is amended to read:

2.761 [THIRD DISTRICT.]

The third congressional district shall consist of that portion of the county of Hennepin consisting of the cities of Brooklyn Park, Chanhassen, Eden Prairie, Edina, Golden Valley, Medicine Lake, Minnetonka, New Hope, and Plymouth; the cities of Bloomington, Brooklyn Center, Crystal, Hopkins, Richfield, Robbinsdale, and St. Louis Park, any part of the area included in the Minneapolis-St. Paul International Airport not a part of an incorporated municipality, and that portion of the city of Minneapolis described as follows: Commencing at the intersection of Fifty third Avenue North and Xerxes Avenue North, thence southerly along Xerxes Avenue North to Forty-first Avenue North, thence easterly along Forty-first Avenue North to Thomas Avenue North, thence southerly along Thomas Avenue North to Thirty-eighth Avenue North, thence easterly along Thirty-eighth Avenue North to Sheridan Avenue North, thence southerly along Sheridan Avenue North to Thirty-fourth Avenue North, thence easterly along Thirty-fourth Avenue North to Girard Avenue North, thence northerly along Girard Avenue North to Thirty-eighth Avenue North, thence westerly along Thirty-eighth Avenue North to Humboldt Avenue North, thence northerly along Humboldt Avenue North to Forty-second Avenue North, thence westerly along Forty-second Avenue North to James Avenue North, thence northerly along James Avenue North to Forty-third Avenue North, thence westerly along Forty-third Avenue North to Penn Avenue North, thence northerly along Penn Avenue North to Forty-fourth Avenue North, thence easterly along Forty-fourth Avenue North to Oliver Avenue North, thence northerly along Oliver Avenue North to the right-of-way of the Soo Line Railroad, thence southeasterly along the right-of-way of the Soo Line Railroad to Forty-second Avenue North, thence easterly along the extension of Forty-second Avenue North to the main channel of the Mississippi River, thence northerly along the main channel of the Mississippi River to the extension of Fifty-third Avenue North, and thence westerly along Fifty-third Avenue North and its extension to the point of beginning, and the Fort Snelling Military Reservation the counties of Chisago and Isanti, that portion of the county of Anoka not included in the fifth congressional district, that portion of the county of Hennepin consisting of the cities of Brooklyn Center, Brooklyn Park, Champlin, Corcoran, Crystal, Dayton, Greenfield, Hanover, Independence, Loretto, Maple Grove, Maple Plain, Medina, New Hope, Osseo, Rockford and Rogers, and the township of Hassan, that portion of the county of Ramsey consisting of the city of Spring Lake Park, and that portion of the county of Washington not included in the fourth congressional district.

Sec. 5. Minnesota Statutes 1980, Section 2.771, is amended to read:

2.771 [FOURTH DISTRICT.]

The fourth congressional district shall consist of that portion of the county of Ramsey not included in the fifth congressional district, that portion of the county of Dakota consisting of the cities of Lilydale, Mendota, Mendota Heights, South Saint Paul and West Saint Paul, and that portion of the county of Washington consisting of the city of Newport.

Sec. 6. Minnesota Statutes 1980, Section 2.781, is amended to read:

2.781 [FIFTH DISTRICT.]

The fifth congressional district shall consist of that portion of the county of

Hennepin consisting of the ~~city of~~ cities of Minneapolis, Richfield, Robbinsdale and St. Anthony, any portion of the area included in the Minneapolis-St. Paul International Airport not a part of an incorporated municipality, the Fort Snelling Military Reservation, and that portion of the city of Minneapolis not included in the third congressional district, Bloomington described as follows: Commencing at the intersection of Normandale Boulevard and the northern city boundary, thence southerly along Normandale Boulevard to 98th Street, thence easterly along 98th Street to France Avenue, thence southerly along France Avenue to Overlook Drive, thence westerly along Overlook Drive to Irwin Avenue, thence southerly along Irwin Avenue to the main channel of the Minnesota River, thence easterly along the main channel of the Minnesota River to the northern city boundary, thence westerly along the northern city boundary to the point of beginning; and that portion of the county of Anoka consisting of the cities of Hilltop, Fridley and Columbia Heights, and that portion of the county of Ramsey consisting of the city of St. Anthony.

Sec. 7. Minnesota Statutes 1980, Section 2.791, is amended to read:

2.791 [SIXTH DISTRICT.]

The sixth congressional district shall consist of the counties of ~~Benton, Big Stone, Brown, Chippewa, Cottonwood, Douglas, Jackson, Kandiyohi, Lac qui Parle, Lincoln, Lyon, Martin, McLeod, Meeker, Mille Lacs, Murray, Nobles, Pipestone, Pope, Redwood, Renville, Rock, Sherburne, Stearns, Wright, Sibley, Swift, Traverse, Watonwan,~~ and Yellow Medicine, and that portion of the county of Hennepin ~~LeSueur not included in the second, third, or fifth first congressional districts~~ district, that portion of the county of Nicollet not included in the first congressional district, and that portion of the county of Stearns not included in the eighth congressional district.

Sec. 8. Minnesota Statutes 1980, Section 2.801, is amended to read:

2.801 [SEVENTH DISTRICT.]

The seventh congressional district shall consist of the counties of ~~Aitkin, Beltrami, Becker, Cass, Clay, Clearwater, Crow Wing, Douglas, Grant, Hubbard, Itasca, Kittson, Koochiching, Lake of the Woods, Mahnommen, Marshall, Morrison, Norman, Otter Tail, Pennington, Polk, Pope, Red Lake, Roseau, Stevens, Swift, Todd, Traverse, Wadena; and Wilkin.~~

Sec. 9. Minnesota Statutes 1980, Section 2.811, is amended to read:

2.811 [EIGHTH DISTRICT.]

The eighth congressional district shall consist of the counties of ~~Aitkin, Benton, Carlton, Chicago, Cook, Isanti, Itasca, Kanabec, Koochiching, Lake, Mille Lacs, Pine, and Sherburne, St. Louis and Wright,~~ and that part of the county of Anoka which is not included in the fifth congressional district ~~Stearns consisting of the cities of Pleasant Lake, Sartell, St. Cloud, St. Joseph, St. Stephens and Waite Park, and the townships of Brockway, Fairhaven, Le Sauk, Lynden, St. Augusta, St. Cloud, St. Joseph and St. Wendel."~~

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "making legislative findings;"

Page 1, line 5, before the period, insert "; proposing new law coded in Minnesota Statutes, Chapter 2"



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

Mr. Wegener, from the Committee on Mileage, moved to amend the report from the Committee on Mileage found in the Journal for Thursday, January 29, 1981, pages 92-93, as amended Monday, March 2, 1981, page 263 and Saturday, May 16, 1981, page 2544, as follows:

After "Frederick, Mel" strike "118" and insert "144"

After "Luther, William P." strike "22" and insert "44"

After "Merriam, Gene" strike "47" and insert "42"

After "Olhoft, Wayne" strike "360" and insert "365"

After "Petty, Eric D." strike "30" and insert "26"

Mr. Moe, R. D. moved the adoption of the foregoing committee report. The motion prevailed. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration makes the following report: That the portion of Rule 57 of the Permanent Rules of the Senate that relates to standing committees and their complement be amended to read as follows:

Agriculture and Natural Resources — ~~48~~ 19  
 Commerce — 15  
 Education — 18  
 Elections and Reapportionment — 11  
 Employment — ~~43~~ 16  
 Energy and Housing — ~~44~~ 15  
 Finance — 21  
 General Legislation and Administrative Rules — 10  
 Governmental Operations — 12  
 Health, Welfare and Corrections — 13  
 Judiciary — 13  
 Local Government and Urban Affairs — ~~43~~ 14  
 Public Employees and Pensions — 9  
 Rules and Administration — 26  
 Taxes and Tax Laws — 21  
 Transportation — ~~46~~ 17  
 Veterans' Affairs — 10

Mr. Moe, R.D. moved the adoption of the foregoing committee report. The motion prevailed. Amendments adopted. Report adopted.

## SECOND READING OF SENATE BILLS

S.F. No. 1387 was read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Vega moved that the name of Mr. Stern be added as a co-author to S.F.

No. 1225. The motion prevailed.

Mr. Davies moved that the name of Mr. Olhoft be added as a co-author to S.F. No. 1457. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Lessard be added as a co-author to S.F. No. 1507. The motion prevailed.

Mr. Humphrey moved that the name of Mr. Frank be added as a co-author to S.F. No. 1516. The motion prevailed.

Mr. Vega moved that the name of Mr. Kroening be added as a co-author to S. F. No. 1225. The motion prevailed.

Mr. Nelson moved that his name be stricken as chief author and Mr. Purfeerst be added as chief author to S.F. No. 1480. The motion prevailed.

Mr. Lessard introduced—

Senate Resolution No. 68: A Senate resolution commending certain police officers for their courage and dedication to duty.

Referred to the Committee on Rules and Administration.

Messrs. Ramstad and Humphrey introduced—

Senate Resolution No. 69: A Senate resolution congratulating the boys' gymnastics team from Armstrong-Cooper High School for winning the state high school boys' gymnastics championship.

Referred to the Committee on Rules and Administration.

Mr. Moe, R.D. moved to amend Rule 57 in accordance with the Committee Report adopted today.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So Rule 57 was amended.

Mr. Moe, R.D. introduced—

Senate Resolution No. 70: A Senate resolution providing for Senate committee assignments.

## BE IT RESOLVED BY THE SENATE:

That Senate Resolution No. 3 relating to standing committees of the Senate for the 72nd Session, Senate Journal, January 6, 1981, pages 15-19, be amended as follows:

Agriculture and Natural Resources — ~~48~~ 19

Delete: Nichols

Add: Dahl; Peterson, R.W.

Employment — ~~43~~ 16

Delete: Nichols

Designate: Dicklich, Vice Chairman

Add: Frank; Petty; Peterson, C.C.; Ramstad

Judiciary

Delete: Ramstad

Add: Rued

Public Employees and Pensions

Delete: Nichols

Add: Nelson

Taxes and Tax laws

Delete: Nichols

Add: Davis

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

## GENERAL ORDERS

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

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

S.F. No. 1015, which the committee recommends to pass, subject to the following motions:

Mr. Peterson, R.W. moved to amend S. F. No. 1015 as follows:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1980, Section 145.61, Subdivision 2, is amended to read:

Subd. 2. “Professional” means a person licensed *or registered* to practice a healing art under Minnesota Statutes 1969, Chapter 147, or Chapter 148, to practice dentistry under Minnesota Statutes 1969, Chapter 150A, to practice as a pharmacist under Minnesota Statutes 1969, Chapter 151, or to practice podiatry under Minnesota Statutes 1969, Chapter 153.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, strike "Section" and insert "Sections 145.61, Subdivision 2; and"

The motion prevailed. So the amendment was adopted.

Mr. Menning moved to amend S.F. No. 1015 as follows:

Page 1, line 12, strike "two" and insert "four"

Amend the title as follows:

Page 1, line 4, delete "two" and insert "four"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 8 and nays 51, as follows:

Those who voted in the affirmative were:

Keefe Kroening	Luther Menning	Pehler Sieloff	Tennessee	Waldorf
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Those who voted in the negative were:

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

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

Mr. Setzepfandt moved to amend S.F. No. 1015 as follows:

Page 1, line 16, after "dentists" delete "and" and insert a comma

Page 1, line 17, after the comma insert "and veterinarians as defined in chapter 156,"

Page 1, line 22, after "professional" insert "or veterinarian"

Amend the title as follows:

Page 1, line 4, after "professionals" insert "and veterinarians"

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass S.F. No. 1015.

The roll was called, and there were yeas 54 and nays 10, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Belanger	Keefe	Luther	Sieloff	Waldorf
Dieterich	Kroening	Menning	Tennessee	Willet

The motion prevailed. So S.F. No. 1015 was recommended to pass.

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

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Wegener introduced—

S.F. No. 1523: A bill for an act relating to the city of Little Falls; extending a certain expired deferred compensation option to the city administrator therein.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Wegener introduced—

S.F. No. 1524: A bill for an act relating to retirement; Minnesota state retirement system; providing a post retirement adjustment for certain persons.

Referred to the Committee on Public Employees and Pensions.

Mr. Sikorski introduced—

S.F. No. 1525: A bill for an act relating to commerce; regulating the disclosure of information on individuals by tenant screening services; providing remedies; imposing penalties; proposing new law coded in Minnesota Statutes, Chapter 325E.

Referred to the Committee on Judiciary.

Messrs. Davis; Peterson, C.C. and Pehler introduced—

S.F. No. 1526: A bill for an act relating to taxation; real property; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; amending Minnesota Statutes 1980, Section 273.111, Subdivisions 9, 11, and by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Davis; Peterson, C.C. and Vega introduced—

S.F. No. 1527: A bill for an act relating to education; requiring all public elementary and secondary schools to provide instruction in chemical dependency prevention; amending Minnesota Statutes 1980, Section 126.03; and proposing new law coded in Chapter 126.

Referred to the Committee on Education.

Ms. Berglin and Mr. Spear introduced—

S.F. No. 1528: A bill for an act relating to taxation; real property; clarifying the assessment of property owned by a neighborhood real estate trust; amending Minnesota Statutes 1980, Section 273.13, Subdivision 17d.

Referred to the Committee on Taxes and Tax Laws.

Mr. Lessard introduced—

S.F. No. 1529: A bill for an act relating to state lands; authorizing sale and conveyance of a certain tract of state lands to Bethlehem Lutheran Church of Waskish, Minnesota.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Dicklich introduced—

S.F. No. 1530: A bill for an act relating to St. Louis county; providing for the calculation of vacation and sick leave allowances of certain employees.

Referred to the Committee on Public Employees and Pensions.

Mr. Dicklich and Ms. Berglin introduced—

S.F. No. 1531: A bill for an act relating to labor; providing for occupational safety and health; defining "toxic substance"; requiring certain information; creating a right to refuse work with a toxic substance under certain conditions; amending Minnesota Statutes 1980, Sections 182.651, by adding a subdivision; 182.654, by adding a subdivision; and 182.655, Subdivision 10.

Referred to the Committee on Employment.

Mr. Purfeerst introduced—

S.F. No. 1532: A bill for an act relating to taxation; permitting the city of Lonsdale to impose a special levy for fire protection purposes.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Peterson, C.C. introduced—

S.F. No. 1533: A bill for an act relating to agriculture; changing Becker, Hubbard and Otter Tail Counties from area one to area four for purposes of potato promotion; amending Minnesota Statutes 1981 Supplement, Section 30.464, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Solon, Dicklich, Johnson, Ulland and Chmielewski introduced—

S.F. No. 1534: A bill for an act relating to courts; authorizing the chief judge of the sixth judicial district to fill vacancies in the office of judicial officer in St. Louis, Steele and Carlton counties; amending Minnesota Statutes 1981 Supplement, Section 487.08, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Taylor, Penny, Renneke, Nelson and Peterson, D.L. introduced—

S.F. No. 1535: A bill for an act relating to state lands; providing for the transfer of ownership to meet donors' intent.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Ulland introduced—

S.F. No. 1536: A bill for an act relating to taxation; modifying the exemption of certain town levies; amending Minnesota Statutes 1981 Supplement, Section 275.515.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Schmitz, Pehler, Dicklich, Bernhagen and Lindgren introduced—

S.F. No. 1537: A bill for an act relating to local government; permitting cities to impose a separate property tax to pay the cost of elections; proposing new law coded in Minnesota Statutes, Chapter 465.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Wegener, Willet, Rued, Lessard and Dicklich introduced—

S.F. No. 1538: A bill for an act relating to peace officers; providing for appointment of peace officers, constables and deputy constables in towns; requiring towns to notify the peace officers standards and training board before employing law enforcement officers; amending Minnesota Statutes 1980, Sections 367.03, Subdivisions 1, 2, and 3; 367.22; 367.40, Subdivisions 3 and 4; 367.41; Minnesota Statutes 1981 Supplement, Section 367.42, Subdivision 1; repealing Minnesota Statutes 1981 Supplement, Section 382.28.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Setzepfandt, Moe, R.D.; Rued; Bertram and Frederickson introduced—

S.F. No. 1539: A bill for an act relating to state collective bargaining units; adopting a modified unit composition schedule for state employees; amending Minnesota Statutes 1980, Section 179.741, Subdivision 1.

Referred to the Committee on Public Employees and Pensions.

Messrs. Purfeerst, Bang, Frederick, Schmitz and Menning introduced—

S.F. No. 1540: A bill for an act relating to motor vehicles; taxation of certain motor vehicles and combinations in the ninth and succeeding years of vehicle life; amending Minnesota Statutes 1981 Supplement, Section 168.013, Sub-

division 1e.

Referred to the Committee on Transportation.

Mr. Pehler introduced—

S.F. No. 1541: A bill for an act relating to insurance; providing for conversion privileges for spouses of deceased employees covered by group health and accident insurance; amending Minnesota Statutes 1980, Section 62A.146.

Referred to the Committee on Commerce.

Mr. Davies introduced—

S.F. No. 1542: A bill for an act relating to highway traffic regulations; providing that certain evidence be admissible in the trial or prosecution of persons arrested for driving, operating, or being in physical control of a motor vehicle while under the influence of alcohol, a controlled substance, or a combination thereof; amending Minnesota Statutes 1980, Section 169.121, Subdivision 2.

Referred to the Committee on Judiciary.

Mr. Davies introduced—

S.F. No. 1543: A bill for an act relating to real property; regulating the conditions of certain easements; enacting the uniform conservation easement act; proposing new law coded in Minnesota Statutes, Chapter 500.

Referred to the Committee on Judiciary.

Mr. Davies introduced—

S.F. No. 1544: A bill for an act relating to energy; requiring landlords to bear part of the cost of heating their rental units; amending Minnesota Statutes 1980, Section 116H.129, by adding a subdivision.

Referred to the Committee on Energy and Housing.

Mr. Davies introduced—

S.F. No. 1545: A bill for an act relating to highway traffic regulations; authorizing admission into evidence of blood sample reports taken pursuant to the implied consent law; amending Minnesota Statutes 1980, Section 63A.15.

Referred to the Committee on Judiciary.

Mr. Davies introduced—

S.F. No. 1546: A bill for an act relating to courts; providing for removal of tax court judges; proposing new law coded in Minnesota Statutes, Chapter 271.

Referred to the Committee on Judiciary.

Messrs. Peterson, C.C.; Frederickson and Renneke introduced—

S.F. No. 1547: A bill for an act relating to retirement; miscellaneous



amendments to the public employees retirement law; amending Minnesota Statutes 1980, Sections 353.01, Subdivisions 12 and 16; 353.03, Subdivision 4; 353.27, Subdivision 12; 353.35; and 353.657, Subdivision 2a; Minnesota Statutes 1981 Supplement, Sections 353.01, Subdivisions 2a and 2b; 353.27, Subdivision 4; 353.33, Subdivision 5; 353.36, Subdivision 2; and 353.64, Subdivision 1; repealing Minnesota Statutes 1980, Sections 353.01, Subdivision 34; and 353.017, Subdivisions 4 and 5; Minnesota Statutes 1981 Supplement, Section 353.023.

Referred to the Committee on Public Employees and Pensions.

Messrs. Peterson, C.C.; Frederickson; Spear and Renneke introduced—

S.F. No. 1548: A bill for an act relating to retirement; public employees retirement association; changing the reduction factors for early retirement; amending Minnesota Statutes 1980, Section 353.30, Subdivisions 1 and 1a; Minnesota Statutes 1981 Supplement, Section 353.30, Subdivision 1c; repealing Minnesota Statutes 1980, Section 353.30, Subdivision 1b.

Referred to the Committee on Public Employees and Pensions.

Messrs. Peterson, C.C.; Spear and Renneke introduced—

S.F. No. 1549: A bill for an act relating to retirement; public employees retirement association; increasing in line of duty disability benefits for police and firefighters; amending Minnesota Statutes 1980, Section 353.656, Subdivision 1.

Referred to the Committee on Public Employees and Pensions.

Mr. Peterson, C.C. introduced—

S.F. No. 1550: A bill for an act relating to retirement; public employees retirement association; increasing the retirement annuity formula; changing the reduction factors for early retirement; reducing the actuarial factors to provide a joint and survivor benefit; providing an additional surviving spouse optional annuity; amending Minnesota Statutes 1980, Sections 353.29, Subdivisions 2 and 3; 353.30, Subdivisions 1, 1a, and 3; 353.651, Subdivisions 2 and 3; and 353.656, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 353.30, Subdivision 1c and 353.32, Subdivision 1a; repealing Minnesota Statutes 1980, Section 353.30, Subdivision 1b.

Referred to the Committee on Public Employees and Pensions.

Messrs. Willet and Merriam introduced—

S.F. No. 1551: A resolution memorializing the life and work of Sigurd F. Olson.

Referred to the Committee on Rules and Administration.

Mr. Stumpf introduced—

S.F. No. 1552: A bill for an act relating to legislative districts; reapportioning legislative districts; amending Minnesota Statutes 1980, Sections 2.021; 2.031, Subdivision 2; and 2.711; repealing Minnesota Statutes 1980, Sections

2.041 to 2.701 and 2.712; proposing new law coded in Minnesota Statutes, Chapter 2.

Referred to the Committee on Elections and Reapportionment.

Messrs. Dicklich and Purfeerst introduced—

S.F. No. 1553: A bill for an act relating to elections; establishing a local government election day for election of county, city, and school district officers, county and county municipal judges and officers of all other political subdivisions except towns; requiring uniform and coordinated election precincts and polling places for municipalities and school districts; integrating municipal and school district election laws with laws applicable to other elections; superseding certain inconsistent general and special laws and home rule charter provisions; amending Minnesota Statutes 1980, Sections 40.05, Subdivision 1; 40.06, Subdivision 1; 122.23, Subdivision 17; 122.25, Subdivision 2; 123.12, Subdivision 1; 123.32, Subdivisions 9 and 23; 123.33, Subdivisions 1 and 4; 123.34, Subdivision 1; 123.351, Subdivisions 1 and 3; 123.51; 128.01; 209.02, Subdivisions 1 and 3; 375.025, Subdivision 4; 375.03; 375.101, Subdivision 2; 375A.02, Subdivision 1; 375A.09, Subdivision 4; 382.01; 389.011, Subdivision 2; 397.06; 397.07; 398.04; 410.21; 412.021, Subdivision 2; 412.571, Subdivision 5; 447.32, Subdivisions 1 and 2; 487.03, Subdivision 5; 488A.021, Subdivision 3; 488A.19, Subdivision 3; Minnesota Statutes 1981 Supplement; Sections 40.05, Subdivisions 3 and 4; 200.02; by adding subdivisions; 201.071, Subdivisions 1, 3, and by adding a subdivision; 203B.05, Subdivision 2; 203B.06, Subdivision 3; 203B.09; 204B.02; 204B.08, Subdivision 3; 204B.09; 204B.11, Subdivision 1; 204B.12, Subdivisions 1 and 2; 204B.14, by adding a subdivision; 204B.16, Subdivision 1; 204B.18, Subdivision 2; 204B.33; 204B.34, Subdivisions 2 and 3; 204B.35, Subdivision 1; 204B.40; 204C.02; 204C.05, Subdivision 1; 204C.10, Subdivision 1; 204C.19, Subdivision 2; 204C.25; 204C.27; 204C.28, by adding a subdivision; 204C.32; 204C.33; 204C.36; 204D.02; 204D.05, Subdivision 2; 204D.07; 204D.08, Subdivision 6; 204D.09; 204D.10, Subdivision 3; 204D.11, Subdivisions 3 and 5; 204D.12; 204D.16; 204D.28, Subdivisions 4, 5, 6, and 7; 365.51; 412.02, Subdivision 2; and 487.03, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapters 204B, 204D, 206, and 210A; repealing Minnesota Statutes 1980, Sections 123.015; 123.11, Subdivisions 2, 3, 4, 5, and 6; 123.32, Subdivisions 1, 2, 3, 5, 6, 8, 8a, 11, 22, 24, 25, 26, and 27; 447.32, Subdivisions 3 and 4; and Chapter 205; Minnesota Statutes 1981 Supplement, Sections 123.32, Subdivisions 4 and 7; 200.015; 201.095; 205.01; 205.03; 205.10; 205.11, Subdivision 4a; 205.121; 205.13, Subdivision 1; 205.14, Subdivision 4; 205.15; 205.17, Subdivisions 2 and 6; and 205.20, Subdivisions 2 and 5.

Referred to the Committee on Elections and Reapportionment.

Messrs. Lindgren, Frederick and Ramstad introduced—

S.F. No. 1554: A bill for an act relating to crimes; providing for additional sentences for theft against the elderly; requiring the sentencing guidelines commission to modify the sentencing guidelines to require application of incarcerative sanctions for theft against the elderly; prescribing penalties;

amending Minnesota Statutes 1980, Section 609.52, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Frederick, Lindgren and Ramstad introduced—

S.F. No. 1555: A bill for an act relating to crimes; establishing mandatory minimum terms of imprisonment for the use of a dangerous weapon or firearm in crimes committed against the elderly and handicapped; prescribing penalties; amending Minnesota Statutes 1981 Supplement, Section 609.11; Subdivisions 4, 5, 7, and 8; and by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Dahl; Humphrey; Lessard; Moe, R.D. and Petty introduced—

S.F. No. 1556: A bill for an act relating to public safety; prohibiting the sale, use, manufacture and possession of high penetration bullets; prohibiting the sale and possession of armor-piercing bullets; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 624.

Referred to the Committee on Judiciary.

Messrs. Vega, Luther, Sikorski and Keefe introduced—

S.F. No. 1557: A bill for an act relating to public utilities; limiting the amount of proposed rate increases that may be put into effect during suspension of a rate schedule pending final approval; amending Minnesota Statutes 1980, Sections 216B.16, Subdivision 3; and 237.075, Subdivision 3.

Referred to the Committee on Commerce.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, January 25, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTY-THIRD DAY

St. Paul, Minnesota, Monday, January 25, 1982

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. Harry Walsh.

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

Ashbach	Dicklich	Kronebusch	Penny	Spear
Bang	Dieterich	Langseth	Peterson, C.C.	Stern
Belanger	Engler	Lantry	Peterson, R.W.	Stokowski
Benson	Frank	Lessard	Petty	Stumpf
Berg	Frederickson	Lindgren	Pillsbury	Tennessee
Berglin	Hughes	Luther	Ramstad	Ulland
Bernhagen	Humphrey	Menning	Renneke	Vega
Bertram	Johnson	Merriam	Rued	Waldorf
Brataas	Kamrath	Moe, D.M.	Schmitz	Wegener
Chmielewski	Keefe	Moe, R.D.	Setzepfandt	Willet
Dahl	Knoll	Nelson	Sieloff	
Davies	Knutsen	Olhof	Sikorski	
Davis	Kroening	Pehler	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. Peterson, D.L. and Purfeerst were excused from the Session of today. Mr. Tennessee was excused from the Session of today at 11:30 a.m.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received and referred to the committee indicated.

July 1, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

William J. Gafford, 119 2nd North St., New Ulm, Brown County, has been appointed by me, effective July 1, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Elections and Reapportionment.)

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. 1150.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned January 21, 1982

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1139.

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.

And the House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Jude; Norton; Sieben, M.; Forsythe and Halberg have been appointed as such committee on the part of the House.

House File No. 1139 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 21, 1982

Mr. Tennesen moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1139, 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 File, herewith transmitted: H.F. No. 1478.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 21, 1982

### FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H.F. No. 1478: 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; 2.801; and 2.811.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1387, 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. Davies from the Committee on Judiciary, to which was referred

H.F. No. 552: A bill for an act relating to commerce; prohibiting fraud in the use of recreational camping areas; providing a penalty; amending Minnesota Statutes 1980, Sections 327.07; and 327.14, Subdivision 8.

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

Page 1, line 11, strike "shall obtain" and insert "(1) obtains"

Page 1, line 14, strike "therefor" and insert "for it"

Page 1, line 15, strike "who" and insert "(2)"

Page 1, line 19, strike "such person" and insert "him"

Page 1, line 20, strike everything after "misdemeanor"

Page 1, strike line 21

Page 1, line 22, strike everything before the period

Page 2, line 1, strike "shall mean" and insert "means"

Page 2, line 5, strike "such" and insert "the"

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

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

S.F. No. 1151: A bill for an act relating to county recorders; providing for the disposal of various obsolete records including state and federal liens; amending Minnesota Statutes 1980, Section 386.46.

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

Page 1, line 17, strike "the" and insert "their"

Page 1, line 17, strike "thereof"

Page 1, line 17, strike "such" and insert "the"

Page 1, line 19, after "liens" insert " , except federal estate and gift tax liens,"

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

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

S.F. No. 679: A bill for an act relating to eminent domain; providing for the computation of interest rates on damages; amending Minnesota Statutes 1980, Section 117.195.

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

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

S.F. No. 69: A bill for an act relating to statutes; providing that selected statutes shall be subject to judicial modification as is common law; proposing new law coded in Minnesota Statutes 1980, Chapter 645.

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

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

H.F. No. 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.

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

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

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.

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

Page 1, line 22, strike "from time to time"

Page 1, line 25, strike " , and" and insert a period

Page 2, line 1, after "of" insert "the following"

- Page 2, line 1, strike "next following"
- Page 2, strike line 5
- Page 2, line 6, strike "be"
- Page 2, line 6, strike "thereof" and insert "*shall be paid*"
- Page 2, line 7, strike "hereinafter"
- Page 2, line 8, strike "provided." and insert "*follows:*"
- Page 2, line 9, after "less" insert a comma
- Page 2, line 11, after "\$5,000" insert a comma
- Page 2, line 11, strike "not less than"
- Page 2, line 12, strike "to exceed" and insert "*more than*"
- Page 2, line 17, after the period, insert "*Any instalment of principal or interest may be prepaid.*"
- Page 2, line 20, strike "Such" and insert "*The*"
- Page 2, lines 22, 27, and 35, strike "such" and insert "*the*"
- Page 2, line 22, strike ",", provided that," and insert a period
- Page 2, line 24, strike ", and such" and insert "*The*"
- Page 2, line 26, strike "shall have" and insert "*has*"
- Page 2, line 28, strike "with respect thereto"
- Page 2, line 29, after "only" insert a comma
- Page 2, line 30, strike the comma and insert a period
- Page 2, line 31, strike "thereupon"
- Page 2, line 31, strike "to exceed" and insert "*more than*"
- Page 2, line 34, strike "such"
- Page 2, line 34, strike "may"
- Page 2, line 35, strike "have been" and insert "*was*"
- Page 2, line 36, strike "; provided, that in case" and insert "*If*"
- Page 3, line 4, strike the second "the" and insert "*their*"
- Page 3, line 5, strike "thereof, and" and insert a period
- Page 3, line 6, strike "such" in both places where it occurs and insert "*the*"
- Page 3, line 6, after "of" insert "*the appraised value and*"
- Page 3, line 7, strike "shall have" and insert "*has*"
- Page 3, line 7, strike "in"
- Page 3, strike line 8
- Page 3, line 9, strike "such terms" and insert a period
- Page 3, line 9, strike "portion" and insert "*balance*"



- Page 3, line 12, strike "such" and insert "the"
- Page 3, lines 18 and 20, strike "Such" and insert "The"
- Page 3, line 19, strike "wherein such" and insert "in which the"
- Page 3, line 19, strike "and" and insert ". The parcels"
- Page 3, line 22, strike "such"
- Page 3, line 25, strike ", and" and insert a period
- Page 3, line 25, after "balance" insert "shall be paid"
- Page 3, line 25, strike "to exceed" and insert "more than"
- Page 3, line 29, strike the comma and insert a period
- Page 3, line 29, strike "to become" and insert "are"
- Page 3, line 33, after "full" insert a comma
- Page 3, line 35, strike "such" and insert "a"
- Page 3, line 35, strike "as shall be"
- Page 4, line 2, strike the first comma
- Page 4, lines 2, 5, 30, and 36, strike "such" and insert "the"
- Page 4, line 4, strike "the provisions hereof" and insert "this section"
- Page 4, line 7, strike "the same" and insert "they"
- Page 4, line 14, strike "thereof"
- Page 4, line 19, strike "from time to time"
- Page 4, line 21, strike "such" and insert "a"
- Page 4, line 22, strike "as" and insert "prescribed by"
- Page 4, line 22, strike "shall prescribe," and insert ". The county auditor shall submit"
- Page 4, line 22, strike "which"
- Page 4, line 23, strike "shall be submitted" and insert "the certificate"
- Page 4, lines 24 and 27, strike "forthwith" and insert "within 30 days"
- Page 4, line 30, strike "shall become" and insert "is"
- Page 4, line 30, strike "before"
- Page 4, line 31, strike "they become delinquent"
- Page 4, line 32, strike "so"
- Page 4, line 32, after "purchased" insert "before they become delinquent"
- Page 4, line 32, strike ", and thereupon" and insert ". Upon default"
- Page 4, line 35, after "shall" insert "automatically"
- Page 4, line 35, strike "without the doing by the"
- Page 4, line 36, strike "state of any act or thing whatsoever"

Page 5, line 2, strike “, and” and insert a period

Page 5, lines 3, 8, 9, and 20, strike “such” and insert “*the*”

Page 5, lines 6 and 14, strike “such”

Page 5, line 8, strike “therein”

Page 5, line 8, strike “, but” and insert “*in it.*”

Page 5, line 9, strike “shall not be” and insert “*is not*”

Page 5, line 10, strike “, and thereupon” and insert “*. Upon cancellation and termination.*”

Page 5, line 12, strike “, upon first” and insert “*after*”

Page 5, line 21, strike “and” and insert “*. He*”

Page 5, line 26, strike the comma and insert a period

Page 5, line 27, strike “to become” and insert “*is*”

Page 5, line 28, strike the comma and insert a period

Page 5, line 29, strike “to become” and insert “*are*”

Page 5, lines 30 and 31, strike “thereafter”

Page 5, line 31, strike “the same shall become” and insert “*they are*”

Page 5, line 32, strike “up to the time when” and insert “*until*”

Page 5, line 32, strike “shall pay” and insert “*has paid*”

Page 6, line 1, after “1” insert a comma

Page 6, line 2, strike “heretofore” and insert “*previously*”

Page 6, line 3, strike “and” and insert a period

Page 6, line 4, strike “such”

Page 6, line 4, strike “so”

Page 6, line 5, strike “said”

Page 6, line 6, strike “special assessments” and insert “*they*”

Page 6, line 6, after “for” insert “*the*”

Page 6, line 7, strike everything after “forfeiture”

Page 6, line 8, strike everything before the period

Page 6, lines 8, 10, 16, 18, 27, and 30, strike “such” and insert “*the*”

Page 6, line 10, strike “between the date of”

Page 6, strike line 11

Page 6, lines 13 and 23, strike “hereunder”

Page 6, line 14, after “made” insert a comma

Page 6, line 19, strike “, and” and insert a period

Page 6, line 19, strike “so”

Page 6, line 20, after the comma insert "but"

Page 6, line 24, strike "shall mean" and insert "means"

Page 6, lines 26 and 30, strike "four percent" and insert "a rate equal to the rate in effect at the time advertised for sale pursuant to section 47.20, subdivision 4."

Page 6, line 34, strike "If the"

Page 6, strike lines 35 and 36

Page 7, line 5, strike "such" and insert "the"

Page 7, line 5, strike "and" and insert ". He "

Page 7, line 10, at the end of the line, strike the comma and insert a period

Page 7, line 11, strike "to become" and insert "is"

Page 7, line 13, strike the comma and insert a period

Page 7, line 13, strike "to become" and insert "are"

Page 7, lines 14 and 15, strike "thereafter"

Page 7, line 16, strike "the same shall" and insert "they"

Page 7, line 16, strike "up to the time when" and insert "until"

Page 7, line 17, strike "shall pay" and insert "has paid"

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

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

S.F. No. 1231: A bill for an act relating to waters; exempting certain watercraft from requirements related to personal flotation devices; amending Minnesota Statutes 1980, Section 361.141, Subdivision 1.

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

## SECOND READING OF SENATE BILLS

S.F. Nos. 1151, 679, 69 and 1231 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 552, 583 and 253 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Davis moved that the names of Messrs. Lindgren, Solon and Dicklich be added as co-authors to S.F. No. 276. The motion prevailed.

Mr. Menning moved that his name be stricken as chief author, added as co-author, and Mr. Kamrath be added as chief author to S.F. No. 1130. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Solon be added as a co-author

to S.F. No. 1498. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mrs. Brataas be added as a co-author to S.F. No. 1507. The motion prevailed.

Mr. Sikorski moved that the name of Mr. Luther be added as a co-author to S.F. No. 1525. The motion prevailed.

Mr. Davis moved that the name of Mr. Rued be added as a co-author to S.F. No. 1527. The motion prevailed.

Mr. Dicklich moved that the name of Mr. Frank be added as a co-author to S.F. No. 1531. The motion prevailed.

Mr. Pehler moved that the names of Messrs. Davis and Frank be added as co-authors to S.F. No. 1541. The motion prevailed.

Mr. Davies moved that the name of Mr. Petty be added as a co-author to S.F. No. 1542. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Pehler be added as a co-author to S.F. No. 1549. The motion prevailed.

Mr. Lindgren moved that the names of Messrs. Solon and Merriam be added as co-authors to S.F. No. 1554. The motion prevailed.

Mr. Frederick moved that the names of Messrs. Merriam and Solon be added as co-authors to S.F. No. 1555. The motion prevailed.

### CALENDAR

S.F. No. 1015: A bill for an act relating to civil actions; limitations of actions; providing that actions for malpractice against health care professionals and veterinarians be commenced within two years; amending Minnesota Statutes 1980, Sections 145.61, Subdivision 2; and 541.07.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 9, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Kronebusch	Penny	Spear
Bang	Dicklich	Langseth	Peterson, C.C.	Stern
Benson	Engler	Lantry	Peterson, R.W.	Stokowski
Berg	Frank	Lessard	Petty	Stumpf
Berglin	Frederickson	Lindgren	Pillsbury	Ulland
Bernhagen	Hughes	Merriam	Ramstad	Vega
Bertram	Humphrey	Moe, D. M.	Renneke	Wegener
Brataas	Johnson	Moe, R. D.	Schmitz	
Chmielewski	Kamrath	Nelson	Setzepfandt	
Dahl	Knoll	Olhoft	Sikorski	
Davies	Knutson	Pehler	Solon	

Those who voted in the negative were:

Belanger	Keefe	Luther	Sieloff	Willet
Dieterich	Kroening	Menning	Waldorf	

So the bill passed and its title was agreed to.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

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

Messrs. Petty, Spear, Ms. Berglin, Mr. Dahl and Mrs. Lantry introduced—

S.F. No. 1558: A bill for an act relating to crimes; lengthening the statute of limitations for prosecutions for certain crimes; amending Minnesota Statutes 1980, Section 628.26.

Referred to the Committee on Judiciary.

Messrs. Frederick, Ramstad, Taylor and Belanger introduced—

S.F. No. 1559: A bill for an act relating to taxation; income; providing job expansion and investment credits for new businesses; proposing new law coded as Minnesota Statutes, Chapter 290B.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Wegener, Setzepfandt, Lessard, Frederickson and Davis introduced—

S.F. No. 1560: A bill for an act relating to municipal bonds; repealing limitations on interest rates; changing a public sale requirement; amending Minnesota Statutes 1980, Sections 475.55 and 475.60, Subdivision 2.

Referred to the Committee on Local Government and Urban Affairs.

Ms. Berglin introduced—

S.F. No. 1561: A bill for an act relating to child support and maintenance payments; providing for the collection and withholding of payments; amending Minnesota Statutes 1981 Supplement, Sections 518.551, Subdivisions 1 and 2; and 518.611, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Sikorski introduced—

S.F. No. 1562: A bill for an act relating to crimes; requiring mandatory minimum jail sentences for persons convicted of driving while under the influence of alcohol or a controlled substance; amending Minnesota Statutes 1980, Section 169.121, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 169.121, Subdivision 5.

Referred to the Committee on Judiciary.

Mr. Sikorski introduced—

S.F. No. 1563: A bill for an act relating to education; authorizing certain school districts in each development region to make a special grandfather levy; amending Minnesota Statutes 1980, Section 275.125, by adding a subdivision.

Referred to the Committee on Education.

Mr. Sikorski introduced—

S.F. No. 1564: A bill for an act relating to education; authorizing certain school districts in development region eleven to make a special grandfather levy; amending Minnesota Statutes 1980, Section 275.125, by adding a subdivision.

Referred to the Committee on Education.

Mr. Sikorski introduced—

S.F. No. 1565: A bill for an act relating to education; authorizing certain school districts in Washington County which did not qualify for the grandfather levy to make an additional levy for school maintenance purposes; amending Minnesota Statutes 1980, Section 275.125, by adding a subdivision.

Referred to the Committee on Education.

Messrs. Bernhagen, Merriam, Knutson, Benson and Schmitz introduced—

S.F. No. 1566: A bill for an act relating to the environment; expediting the receipt of federal moneys for emergency response to hazardous waste releases; expediting the variance issuance procedures of the pollution control agency; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; and 116.07, Subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Spear introduced—

S.F. No. 1567: A bill for an act relating to judicial procedures; providing an alternative time for a guardian or conservator to file an annual report; amending Minnesota Statutes 1981 Supplement, Section 525.58, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Spear, Moe, D.M. and Peterson, C.C. introduced—

S.F. No. 1568: A bill for an act relating to retirement; recognizing service covered by multiple retirement funds for entitlement to a disability benefit; proposing new law coded in Minnesota Statutes, Chapter 356.

Referred to the Committee on Public Employees and Pensions.

Messrs. Johnson, Sikorski and Sieloff introduced—

S.F. No. 1569: A bill for an act relating to family; creating a preference for joint custody of children after dissolution of a marriage; amending Minnesota Statutes 1981 Supplement, Section 518.17.

Referred to the Committee on Judiciary.

Messrs. Petty, Spear and Tennesen introduced—

S.F. No. 1570: A bill for an act relating to cable communications; prohibiting newspapers from owning or controlling cable communications companies operating within their market areas; proposing new law coded in Minnesota Statutes, Chapter 238.

Referred to the Committee on Commerce.

Mr. Ramstad introduced—

S.F. No. 1571: A bill for an act relating to retirement; city of Plymouth; prohibiting double pension coverage for certain firefighters.

Referred to the Committee on Public Employees and Pensions.

Messrs. Solon and Ulland introduced—

S.F. No. 1572: A bill for an act relating to taxes; defining institutions of public charity that are exempt from property taxation; amending Minnesota Statutes 1981 Supplement, Section 272.02, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Petty, Tennessen, Ms. Berglin and Mr. Knoll introduced—

S.F. No. 1573: A bill for an act relating to taxation; limiting property tax on certain homesteads; providing for replacement by state of certain revenue lost by local government units; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 273.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Ramstad, Chmielewski, Ashbach, Rued and Taylor introduced—

S.F. No. 1574: A bill for an act relating to crimes; requiring mandatory jail sentences and other dispositional alternatives for persons convicted of driving while under the control of alcohol or a controlled substance; prescribing penalties; amending Minnesota Statutes 1980, Section 169.121, by adding subdivisions; 169.123, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 169.121, Subdivision 5; repealing Minnesota Statutes 1980, Section 169.121, Subdivisions 3 and 4.

Referred to the Committee on Judiciary.

Messrs. Tennessen, Stern, Solon and Ashbach introduced—

S.F. No. 1575: A bill for an act relating to health; directing the elimination of health systems agencies; transferring health planning authority to the commissioner of health; requiring the commissioner of health to analyze and disseminate hospital price information; amending Minnesota Statutes 1980, Sections 144.05; 144.802, Subdivisions 3 and 4; Minnesota Statutes 1981 Supplement, Sections 250.05, Subdivision 4; 447.45, Subdivision 1; and 474.03; proposing new law coded in Minnesota Statutes, Chapter 144; repealing Minnesota Statutes 1980, Sections 145.832 to 145.845, as amended; Minnesota Statutes 1981 Supplement, Sections 62D.22, Subdivision 6; and 144.801, Subdivision 8.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Purfeerst, Bang, Benson, Belanger and Stern introduced—

S.F. No. 1576: A bill for an act proposing an amendment to the Minnesota

Constitution to repeal Article XIII, Section 5; repealing the prohibition against lotteries.

Referred to the Committee on General Legislation and Administrative Rules.

Messrs. Bertram, Setzepfandt, Davis, Lessard and Langseth introduced—

S.F. No. 1577: A bill for an act relating to game and fish; authorizing special permits to take deer with a crossbow under certain circumstances; amending Minnesota Statutes 1980, Sections 98.48, by adding a subdivision; and 100.29, Subdivision 7.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Berglin introduced—

S.F. No. 1578: A bill for an act relating to elections; changing certain times for precinct caucuses; prohibiting certain events; amending Minnesota Statutes 1980, Sections 202A.14, Subdivision 1; 202A.15, Subdivision 1; 202A.19, Subdivisions 1 and 3.

Referred to the Committee on Elections and Reapportionment.

Ms. Berglin, Messrs. Petty, Dicklich, Mmes. Stokowski and Brataas introduced—

S.F. No. 1579: A bill for an act relating to unemployment compensation; clarifying that quitting work due to sexual harassment does not result in benefit disqualification; amending Minnesota Statutes 1980, Section 268.09, Subdivision 1.

Referred to the Committee on Employment.

Messrs. Setzepfandt, Bertram, Penny and Rued introduced—

S.F. No. 1580: A bill for an act relating to public safety; providing that certain fines and forfeited bail money collected from persons violating motor vehicle weight laws and apprehended by the state patrol by means of stationary or portable scales be allocated between the state and certain political subdivisions; amending Minnesota Statutes 1981 Supplement, Section 299D.03, Subdivision 5.

Referred to the Committee on Transportation.

Messrs. Davis, Wegener, Lessard, Frederickson and Benson introduced—

S.F. No. 1581: A bill for an act relating to local government; providing for orderly annexations in accordance with the terms of the resolutions of local government units; amending Minnesota Statutes 1981 Supplement, Section 414.0325, Subdivision 1.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Solon and Ulland introduced—

S.F. No. 1582: A bill for an act relating to port authorities; authorizing



seaway port authorities to establish a fiscal year based on the season for international shipping through the St. Lawrence Seaway; amending Minnesota Statutes 1981 Supplement, Section 458.14.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Davies introduced—

S.F. No. 1583: A bill for an act relating to public finance; repealing and suspending authority to incur state debt; repealing Laws 1980, Chapter 610; and Laws 1981, Chapter 275.

Referred to the Committee on Finance. Mr. Knoll questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Bernhagen, Ulland and Wegener introduced—

S.F. No. 1584: A bill for an act relating to power plant siting; transferring the powers and duties in administration of the power plant siting act to the commissioner of the department of energy, planning and development from the environmental quality board; defining terms; clarifying language; annual hearings; adoption of an inventory of study areas; savings clause; public hearings for inventory criteria; public meeting requirements of the commissioner for routing and siting decisions; amending Minnesota Statutes 1980, Sections 116C.52, Subdivision 2, and by adding a subdivision; 116C.53; 116C.54; 116C.55, Subdivision 3; 116C.57; 116C.58; 116C.59; 116C.61, Subdivisions 2 and 3; 116C.62; 116C.64; 116C.645; 116C.65; 116C.66; 116C.68, Subdivision 2; and 116C.69, Subdivision 1; Minnesota Statutes 1981 Supplement, Section 116C.69, Subdivisions 2, 2a, and 3; proposing new law coded in Minnesota Statutes, Chapter 116J; repealing Minnesota Statutes 1980, Sections 116C.55, Subdivision 2; 116C.60; and 116C.67.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Dahl; Lessard; Frank; Moe, R.D. and Mrs. Lantry introduced—

S.F. No. 1585: A bill for an act relating to education; authorizing school boards to transfer interest earnings from the capital expenditure fund and the debt redemption fund to the general fund of the district.

Referred to the Committee on Education.

Messrs. Dahl, Frank, Petty and Mrs. Lantry introduced—

S.F. No. 1586: A bill for an act relating to education; authorizing school boards to require tuition fees for summer school programs not required for graduation; authorizing school districts to require participation fees for co-curricular and extra curricular activities; allowing school boards to waive the fees for certain students; amending Minnesota Statutes 1980, Section 120.73, Subdivision 1.

Referred to the Committee on Education.

Messrs. Dahl; Peterson, R.W.; Petty; Merriam and Sikorski introduced—

S.F. No. 1587: A bill for an act relating to juveniles; expanding definition of "dependent child;" defining "serious juvenile offender;" permitting jury trials for and jailing of "serious juvenile offenders;" describing relevant evidence in contributing to delinquency cases; requiring reports to justify out of state placement of children; increasing parents' liability for willful and malicious injury caused by their child; prescribing penalties; amending Minnesota Statutes 1980, Sections 260.015, Subdivision 6 and by adding a subdivision; 260.155, Subdivisions 1 and 2, and by adding a subdivision; 260.185, Subdivision 1, and by adding a subdivision; 260.315; and 540.18, Subdivision 1.

Referred to the Committee on Judiciary.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 5:00 p.m., Tuesday, January 26, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**SIXTY-FOURTH DAY**

St. Paul, Minnesota, Tuesday, January 26, 1982

The Senate met at 5:00 p.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	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	Hughes	Merriam	Ramstad	Tennesen
Bernhagen	Humphrey	Moe, D.M.	Renneke	Ulland
Brataas	Johnson	Moe, R.D.	Rued	Vega
Chmielewski	Kamrath	Nelson	Schmitz	Waldorf
Dahl	Keefe	Olhoft	Setzepfand	Wegener
Davies	Knoll	Pehler	Sieloff	Willet
Davis	Kroening	Penny	Sikorski	
Dicklich	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**

Mr. Bertram, Mrs. Kronebush and Mr. Knutson were excused from the Session of today.

**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. 1552 and 1693.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 25, 1982

**FIRST READING OF HOUSE BILLS**

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

indicated.

H.F. No. 1552: A bill for an act relating to insurance; extending the temporary joint underwriting association act for an additional six year period; extending the termination date of certain insurance policies; amending Minnesota Statutes 1980, Sections 62F.01, Subdivision 2; and 62F.06, Subdivision 1.

Referred to the Committee on Commerce.

H.F. No. 1693: A resolution memorializing the governments of the United States and the Socialist Republic of Vietnam to take all possible actions to determine the fate of persons missing in action in Southeast Asia.

Mr. Schmitz moved that H.F. No. 1693 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. Solon from the Committee on Health, Welfare and Corrections, to which was re-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 8, delete "a study"

Page 1, line 9, delete "commission" and insert "an advisory task force"

Page 1, after line 13, insert:

*"The advisory task force shall include two representatives of private providers of long-term and short-term care, both non-profit and profit-making. It shall also include two representatives of state hospital employees, at least one of whom shall be an employee pursuant to Minnesota Statutes, Section 179.741, Subdivision 1, Clause (4); and one member, with one designated alternate member, who shall represent each of the following groups: mentally retarded, chemically dependent, and mentally ill. All these members shall be appointed by the legislative advisory commission."*

Page 1, line 14, delete "commission" and insert "advisory task force"

Page 1, line 15, delete "1982" and insert "1983"

Page 1, after line 19, insert:

*"The advisory task force shall consider life safety standards, geographic distribution of the facilities and populations affected, cost of care attributable to each category of patient, cost of physical plant construction, and alternative uses of the physical plants and buildings in making its report. Advisory task force meetings shall be open to the public and shall be announced in advance.*

*Subd. 3. [REIMBURSEMENT FOR EXPENSES.] Advisory task force members shall be reimbursed for expenses as provided under section 15.059,*

*subdivision 6.*

Sec. 2. [APPROPRIATION.]

*For the biennium ending June 30, 1983, \$..... is appropriated from the general fund to the commissioner of public welfare for the purposes of section 1.*

Sec. 3. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment."*

Amend the title as follows:

Page 1, line 2, delete "a study commission" and insert "an advisory task force"

Page 1, line 4, before the period insert "; appropriating money"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Stumpf from the Committee on Elections and Reapportionment, to which was referred

S.F. No. 1552: A bill for an act relating to legislative districts; reapportioning legislative districts; amending Minnesota Statutes 1980, Sections 2.021; 2.031, Subdivision 2; and 2.711; repealing Minnesota Statutes 1980, Sections 2.041 to 2.701 and 2.712; proposing new law coded in Minnesota Statutes, Chapter 2.

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 2.021, is amended to read:

2.021 [NUMBER OF MEMBERS.]

For each legislature, until a new apportionment shall have been made, the senate is composed of 67 members and the house of representatives is composed of ~~135~~ 134 members.

Sec. 2. Minnesota Statutes 1980, Section 2.031, is amended to read:

2.031 [APPORIONMENT.]

Subdivision 1. The representatives in the senate and house of representatives are apportioned throughout the state in 67 legislative senate districts and 134 house districts. Each senate district is entitled to elect one senator, and each house district is entitled to elect one representative.

Subd. 2. [DEFINITION.] The term terms "county," "town or," "township," "city, ward, precinct or election precinct" and "unorganized territory" when used in a description of a district which is apportioned by this act means in sections 3 to 69 mean a geographical area established as such by law and as it existed in existence on the date this act became effective April 1, 1980.

Sec. 3. [2.042] [FIRST DISTRICT.]

*The first senate district consists of all of Kittson, Roseau, Lake of the Woods,*

*Marshall, Pennington and Red Lake counties, and that portion of Beltrami county consisting of the Unorganized Territory of North Beltrami, Benville township, Spruce Grove township, Minnie township, Lee township, Hamre township, Steenerson township, Unorganized Territory of Upper Red Lake, Unorganized Territory of Lower Red Lake, Waskish township, Shotley township and Unorganized Territory of Shotley Brook.*

*The first senate district is divided into two representative districts as follows:*

*(a) Representative district 1 A consists of all that portion of senate district 1 not included in representative district 1 B.*

*(b) Representative district 1 B consists of all of Pennington and Red Lake counties, and that portion of Marshall county consisting of Fork township, Big Woods township, Oak Park township, city of Oslo, Parker township, Bloomer township, Vega township, city of Alvarado, Tamarac township, city of Stephen, Middle River township, city of Argyle, Warrenton township, Boxville township, city of Warren, Alma township, McCrea township, Foldahl township, Comstock township, Marsh Grove township, Viking township, city of Viking, New Folden township, city of Newfolden, New Solum township, Holt township, city of Holt, Excel township, East Valley township, Agder township, Unorganized Territory of Mud Lake, Grand Plain township, Eckvoll township, Moylan township, Valley township, city of Grygla and Espelie township.*

#### Sec. 4. [2.052] [SECOND DISTRICT.]

*The second senate district consists of all of Norman, Polk, Mahnomen and Clearwater counties and that portion of Beltrami county consisting of Alaska township, Roosevelt township, Buzzle township, Lammers township, the city of Solway and Jones township.*

*The second senate district is divided into two representative districts as follows:*

*(a) Representative district 2 A consists of that portion of Polk county consisting of Higdem township, Sandsville township, Farley township, Bristlet township, Helgeland township, Esther township, Northland township, Tabor township, Angus township, Brandt township, Grand Forks township, city of East Grand Forks, Sullivan township, Keystone township, Euclid township, Belgium township, Rhinehart township, Huntsville township, Nesbit township, Fanny township, Parnell township, Bygland township, Fisher township, city of Fisher, Lowell township, Crookston township, city of Crookston, Tynsid township, Roome township, Andover township, Fairfax township, Vineland township, city of Climax, Hammond township, Russia township, Hubbard township, city of Nielsville, Scandia township, Reis township and city of Beltrami, and that portion of Norman county consisting of Shelly township, city of Shelly, Halstad township, city of Halstad, Hendrum township, city of Hendrum, Lee township, city of Perley, Good Hope township, Anthony township, Hegne township, Mary township, Lockhart township, Pleasant View township, city of Ada, McDonaldsville township, Winchester township, city of Borup, Spring Creek township and Green Meadow township.*

*(b) Representative district 2 B consists of all of that portion of senate district 2 not included in representative district 2 A.*

#### Sec. 5. [2.062] [THIRD DISTRICT.]

*The third senate district consists of all of Koochiching county, that portion of Itasca county not included in senate district 4 and that portion of Aitkin county not included in senate district 13.*

*The third senate district is divided into two representative districts as follows:*

*(a) Representative district 3 A consists of all of Koochiching county and that portion of Itasca county consisting of Ardenhurst township, Grattan township, Pomroy township, Alwwood township, Kinghurst township, Wirt township, Liberty township, Unorganized Territory of Effie, city of Effie, city of Big Fork, Big Fork township, Stokes township, Marcell township, Unorganized Territory of Northeast Itasca, Carpenter township, Bearville township, Unorganized Territory of Deer Lake, Balsam township, Wabana township, Lawrence township, Nashwauk township, city of Nashwauk, city of Keewatin and Lone Pine township.*

*(b) Representative district 3 B consists of all of that portion of senate district 3 not included in representative district 3 A.*

Sec. 6. [2.072] [FOURTH DISTRICT.]

*The fourth senate district consists of all of Hubbard county, that portion of Beltrami county not included in senate district 1 or 2, that portion of Itasca county consisting of Nore township, Moose Park township, Third River township, Good Hope township, Max township, city of Squaw Lake, Sand Lake township, Lake Jessie township, Unorganized Territory of Bowstring Lake, Bowstring township, Oteneagen township, Morse township, Deer River township, city of Deer River and city of Zemple, that portion of Wadena county consisting of Blueberry township, city of Menahga, Shell River township and Huntersville township, and that portion of Cass county not included in senate district 12.*

*The fourth senate district is divided into two representative districts as follows:*

*(a) Representative district 4 A consists of that portion of Hubbard county consisting of Fern township, Lake Hattie township, Lake Alice township, Clover township, Rockwood township, Schoolcraft township, Lake George township, Helga township, Guthrie township, Hendrickson township, Farden township and Hart Lake township, that portion of Beltrami county located in senate district 4 and that portion of Itasca county consisting of Nore township, Moose Park township and Third River township.*

*(b) Representative district 4 B consists of that portion of senate district 4 not included in representative district 4 A.*

Sec. 7. [2.082] [FIFTH DISTRICT.]

*The fifth senate district consists of that portion of St. Louis county consisting of Willow Valley township, Unorganized Territory of Gheen, Linden Grove township, Field township, Morcom township, Sturgeon township, Alango township, French township, Unorganized Territory of Sand Lake, Unorganized Territory of McCormack Lake, Balkan township, Great Scott township, city of Kinney, city of Buhl, city of Chisholm, city of Hibbing, Cherry township, Unorganized Territory of Janette Lake, Lavell township, Sandy township, Wouri township, Unorganized Territory of South Wouri, city of Leon-*

idas, city of Mountain Iron, city of Franklin, city of Virginia, city of Gilbert, Clinton township, city of Iron Junction, McDavitt township, Cedar Valley township, Toivola township, Elmer township, Meadowlands township, city of Meadowlands, Unorganized Territory of Pot Shot Lake, Van Buren township, Ness township, Halden township, Floodwood township, city of Floodwood, Arrowhead township, Prairie Lake township and Fine Lakes township.

*The fifth senate district is divided into two representative districts as follows:*

(a) *Representative district 5 A consists of that portion of St. Louis county included in senate district 5 consisting of the Unorganized Territory of McCormack Lake, Balkan township, Great Scott township, city of Kinney, city of Buhl, Cherry township, Wouri township, Unorganized Territory of South Wouri, city of Mountain Iron, city of Leonidas, city of Franklin, city of Virginia, city of Gilbert, Clinton township, city of Iron Junction, Unorganized Territory of Sand Lake, Morcom township, Sturgeon township, Alango township, French township, Sandy township, Willow Valley township, Unorganized Territory of Gheen, Linden Grove township, Field township, McDavitt township, Lavell township and Toivola township.*

(b) *Representative district 5 B consists of all of that portion of senate district 5 not included in representative district 5 A.*

Sec. 8. [2.092] [SIXTH DISTRICT.]

*The sixth senate district consists of all of Lake and Cook counties and that portion of St. Louis county not included in senate districts 5, 7 and 8.*

*The sixth senate district is divided into two representative districts as follows:*

(a) *Representative district 6 A consists of all of that portion of senate district 6 not included in representative district 6 B.*

(b) *Representative district 6 B consists of all of Lake and Cook counties and that portion of St. Louis county included in senate district 6 consisting of Angora township, Unorganized Territory of Northwest St. Louis, Unorganized Territory of Northeast St. Louis, Unorganized Territory of Nett Lake, Leiding township, city of Orr, Beatty township, Owens township, Portage township, city of Cook, Greenwood township, Breitung township, city of Tower, Morse township, city of Winton, city of Ely, Vermilion Lake township, Kugler township and Unorganized Territory of Lake Vermilion.*

Sec. 9. [2.102] [SEVENTH DISTRICT.]

*The seventh senate district consists of that portion of St. Louis county consisting of Solway township, Midway township, city of Proctor, city of Hermantown and that portion of the city of Duluth not included in senate district 8.*

*The seventh senate district is divided into two representative districts as follows:*

(a) *Representative district 7 A consists of that portion of senate district 7 not included in representative district 7 B.*

(b) *Representative district 7 B consists of that portion of senate district 7 lying east of a line described as follows: commencing at the intersection of the*



*northern boundary of the city of Duluth and Seville Road, southerly and easterly along the northern boundary of the city of Duluth to Haines Road, southerly along Haines Road to county state aid highway 91, southeasterly along county state aid highway 91 to 8th St., southwesterly along 8th St. to 44th Ave. West, southeasterly along 44th Ave. West to 4th St., southwesterly along 4th St. to 47th Ave. West, southeasterly along 47th Ave. West to Grand Ave., southwesterly along Grand Ave. to Central Ave., southerly along Central Ave. to Raleigh St., easterly along Raleigh St. to Lesure St. and southeasterly along Lesure St. to the Wisconsin boundary.*

Sec. 10 [2.112] [EIGHTH DISTRICT.]

*The eighth senate district consists of that portion of St. Louis county consisting of Rice Lake township, Fredenberg township, Gnesen township, Canostia township, Alden township, Normanna township, Duluth township, Lake-wood township, Grand Lake township, and that portion of the city of Duluth lying east of a line described as follows: commencing at the intersection of county road 694 and Rice Lake Road, southerly and southeasterly along Rice Lake Road to Arrowhead Road, easterly along Arrowhead Road to Rice Lake Road, southeasterly along Rice Lake Road to 13th St. East, northeasterly along 13th St. East to 6th Ave. East, southeasterly along 6th Ave. East to 10th St. East, southwesterly along 10th St. East to 5th Ave. East, southeasterly along 5th Ave. East to 6th St. East, southwesterly along 6th St. East to 2nd Ave. East, southeasterly along 2nd Ave. East to 3rd St. East, northeasterly along 3rd St. East to 3rd Ave. East, southeasterly along 3rd Ave. East and 3rd Ave. East extended to Lake Superior.*

*The eighth senate district is divided into two representative districts as follows:*

*(a) Representative district 8 A consists of that portion of senate district 8 not included in representative district 8 B.*

*(b) Representative district 8 B consists of that portion of St. Louis county consisting of Alden township, Duluth township, Normanna township, Lake-wood township and that portion of the city of Duluth lying east of a line described as follows: commencing at the intersection of Martin Road and Vermilion Road, southerly along Vermilion Road to Carlisle Ave., westerly along Carlisle Ave. to Woodland Ave., northwesterly along Woodland Ave. to Hartley Road, southerly along Hartley Road to Woodhaven Lane, southeasterly along Woodhaven Lane to Arrowhead Road, westerly along Arrowhead Road to Brainerd Ave., southerly along Brainerd Ave. to Buffalo St., easterly along Buffalo St. to Junction Ave., southerly along Junction Ave. to 19th Ave. East, southeasterly along 19th Ave. East to Kent Road, westerly along Kent Road to E. Chester Park Dr., southerly along E. Chester Park Dr. to 8th St. East, northeasterly along 8th St. East to 16th Ave. East, southeasterly along 16th Ave. East to 3rd St. East, northeasterly along 3rd St. East to 18th Ave. East, southeasterly along 18th Ave. East to 2nd St. East, northeasterly along 2nd St. East to 19th Ave. East, southeasterly along 19th Ave. East to Superior St. East, southwesterly along Superior St. East to 15th Ave. East, southeasterly along 15th Ave. East and 15th Ave. East extended to Lake Superior.*

Sec. 11. [2.122] [NINTH DISTRICT.]

*The ninth senate district consists of all of Clay and Wilkin counties, that*

*portion of Becker county consisting of Walworth township, Atlanta township, Cuba township, Lake Park township and the city of Lake Park, and that portion of Otter Tail county containing the city of Rothsay.*

*The ninth senate district is divided into two representative districts as follows:*

*(a) Representative district 9 A consists of all of the city of Moorhead.*

*(b) Representative district 9 B consists of all of senate district 9 not included in representative district 9 A.*

**Sec. 12. [2.132] [TENTH DISTRICT.]**

*The tenth senate district consists of that portion of Becker county not included in senate district 9 and that portion of Otter Tail county not included in senate districts 9 and 11.*

*The tenth senate district is divided into two representative districts as follows:*

*(a) Representative district 10 A consists of all of that portion of Becker county included in senate district 10 and that portion of Otter Tail county consisting of Gorman township, Corliss township, Butler township, Paddock township, Homestead township and Blowers township.*

*(b) Representative district 10 B consists of that portion of senate district 10 not included in representative district 10 A.*

**Sec. 13. [2.142] [ELEVENTH DISTRICT.]**

*The eleventh senate district consists of all of Douglas, Traverse and Grant counties and that portion of Otter Tail county consisting of the city of Fergus Falls, Aurdal township, Sverdrup township, city of Underwood, Orwell township, Buse township, Dane Prairie township, Tordenskjold township, Clitherall township, Western township, Aastad township, Tumuli township, city of Dalton, St. Olaf township, Eagle Lake township and Leaf Mountain township.*

*The eleventh senate district is divided into two representative districts as follows:*

*(a) Representative district 11 A consists of that portion of senate district 11 not included in representative district 11 B.*

*(b) Representative district 11 B consists of all of Douglas county and that portion of Otter Tail county located in senate district 11 consisting of Tordenskjold township, Clitherall township, Leaf Mountain township, St. Olaf township and Eagle Lake township.*

**Sec. 14. [2.152] [TWELFTH DISTRICT.]**

*The twelfth senate district consists of all of Todd county, that portion of Wadena county not included in senate district 4, that portion of Cass county consisting of McKinley township, Bull Moose township, Pine River township, Barclay township, city of Chickamaw Beach, city of Pine River, Ansel township, Bungo township, Walden township, Wilson township, Poplar township, Moose Lake township, Maple township, Loon Lake township, Byron township, Meadow Brook township, Home Brook township, city of Lake Shore, Becker township, May township, city of Motley, Fairview township, city of East Gull*

Lake, Sylvan township and city of Pillager, and that portion of Morrison county consisting of Motley township, city of Motley, Rosing township, Scandia Valley township, Rail Prairie township, Cushing township, Clough township, Parker township, Darling township, city of Randall, Green Prairie township, Culdrum township, city of Flensburg, Pike Creek township, city of Little Falls, Swanville township, city of Swanville, Elmdale township, city of Elmdale and city of Upsala.

The twelfth senate district is divided into two representative districts as follows:

(a) Representative district 12 A consists of all of that portion of Wadena county located in senate district 12, all of that portion of Cass county located in senate district 12, that portion of Morrison county consisting of the city of Motley, Motley township, Rosing township, Scandia Valley township, Rail Prairie township, Cushing township and Clough township, and that portion of Todd county consisting of Stowe Prairie township, city of Hewitt, Bartlett township, Staples township, city of Staples, Villard township, Bertha township, city of Bertha, Germania township, Moran township and Fawn Lake township.

(b) Representative district 12 B consists of that portion of senate district 12 not included in representative district 12 A.

Sec. 15. [2.162] [THIRTEENTH DISTRICT.]

The thirteenth senate district consists of all of Crow Wing county, that portion of Morrison county consisting of Ripley township, Platte township, Pulaski township, city of Harding, Richardson township, Belle Prairie township, Buh township, city of Pierz, city of Lastrup, Granite township, Leigh township and city of Hillman, that portion of Aitkin county consisting of Morrison township, Fleming township, Jevne township, Aitkin township, city of Aitkin, Spencer township, Kimberly township, Unorganized Territory of Davidson, Spalding township, Salo township, Farm Island township, Nordland township, Glen township, Lee township, Rice River township, Beaver township, Hazelton township, Wealth Wood township, Malmo township, Unorganized Territory of Jewett, White Pine township, Unorganized Territory of Southeast Aitkin, Lakeside township, Seavey township, Pliny township, Idun township, Williams township, city of McGrath and Wagner township, and that portion of Mille Lacs county consisting of Kathio township, South Harbor township, East Side township, Islé Harbor township, city of Isle, city of Wagon, Bradbury township, Onamia township, city of Onamia, Lewis township, Dailey township and Mudgett township.

The thirteenth senate district is divided into two representative districts as follows:

(a) Representative district 13 A consists of that portion of Crow Wing county consisting of Gail Lake township, Timothy township, Jenkins township, city of Jenkins, Ideal township, Sibley township, city of Pequot Lakes, city of Breezy Point, Pelican township, city of Nisswa, Lake Edwards township, Center township, Unorganized Territory of West Crow Wing, Oak Lawn township, Nokay Lake township, city of Baxter, city of Brainerd, city of Fort Ripley, Fort Ripley township, Crow Wing township, Long Lake township, Maple Grove township, St. Mathias township, Daggett Brook township and Platte Lake

township.

(b) Representative district 13 B consists of that portion of senate district 13 not included in representative district 13 A.

Sec. 16. [2.172] [FOURTEENTH DISTRICT.]

The fourteenth senate district consists of all of Pine, Kanabec and Carlton counties.

The fourteenth senate district is divided into two representative districts as follows:

(a) Representative district 14 A consists of that portion of senate district 14 not included in representative district 14 B.

(b) Representative district 14 B consists of Carlton county and that portion of Pine county consisting of Birch Creek township, city of Denham, Sturgeon Lake township, city of Sturgeon Lake and Nickerson township.

Sec. 17. [2.182] [FIFTEENTH DISTRICT.]

The fifteenth senate district consists of all of Big Stone, Stevens, Pope and Swift counties, all of Chippewa county except the city of Montevideo and Sparta township, and all of Lac Qui Parle county except Camp Release township.

The fifteenth senate district is divided into two representative districts as follows:

(a) Representative district 15 A consists of all of Pope county, all of Stevens county except Stevens township and Synnes township, and that portion of Swift county consisting of Kerkhoven township, Camp Lake township, Benson township, city of Benson, Torning township, Kildare township, city of DeGraff, Hayes township, Pillsbury township, city of Kerkhoven, city of Murdock, Dublin township, Cashel township, Clontarf township and city of Clontarf.

(b) Representative district 15 B consists of that portion of senate district 15 not included in representative district 15 A.

Sec. 18. [2.192] [SIXTEENTH DISTRICT.]

The sixteenth senate district consists of all of Stearns county except that portion included in senate district 17 and that portion of Meeker county consisting of Union Grove township, Manannah township, city of Eden Valley, Forest Prairie township, city of Watkins, Swede Grove township, Harvey township and Forest City township.

The sixteenth senate district is divided into two representative districts as follows:

(a) Representative district 16 A consists of that portion of Stearns county consisting of Ashley township, city of Sauk Centre, Sauk Centre township, city of Melrose, Melrose township, Millwood township, city of St. Rosa, Krain township, city of St. Anthony, Holding township, city of Holdingford, Brockway township, city of St. Stephens, Raymond township, Getty township, Grove township, city of Meire Grove, city of Greenwald, city of Freeport, Oak township, city of New Munich, Albany township, city of Albany, city of Avon, Avon

township, St. Wendel township, Le Sauk township, city of Sartell, North Fork township, city of Brooten, Lake George township and city of El Rosa.

(b) Representative district 16 B consists of that portion of senate district 16 not included in representative district 16 A.

Sec. 19. [2.202] [SEVENTEENTH DISTRICT.]

The seventeenth senate district consists of that portion of Stearns county consisting of St. Joseph township, city of St. Joseph, city of Pleasant Lake, city of Waite Park, St. Cloud township, St. Augusta township and Lynden township, and all of the city of St. Cloud in Stearns, Sherburne and Benton counties.

The seventeenth senate district is divided into two representative districts as follows:

(a) Representative district 17 A consists of that portion of senate district 17 consisting of all of the city of St. Cloud lying east of a line described as follows: commencing at the intersection of the Sauk River and 29th Ave. North extended, southerly along the extension of 29th Ave. North and along 29th Ave. North to 12th St. North, easterly along 12th St. North to Northway Drive, southeasterly along Northway Drive to 21st Ave. North, southwesterly and southerly along 21st Ave. North to the Burlington Northern Railway tracks, westerly along the Burlington Northern Railway tracks to 25th St. North, southerly along 25th St. North to St. Germain St., northeasterly along St. Germain St. to Roosevelt Road, easterly along Roosevelt Road as extended to the Burlington Northern Railway tracks, southeasterly along the Burlington Northern Railway tracks to 22nd St. South.

(b) Representative district 17 B consists of that portion of senate district 17 not included in representative district 17 A.

Sec. 20. [2.212] [EIGHTEENTH DISTRICT.]

The eighteenth senate district consists of all of Benton county except for that portion consisting of the city of St. Cloud, that portion of Mille Lacs county not included in senate district 13, that portion of Isanti county consisting of Dalbo township, Maple Ridge township, Stanchfield township, Wyanett township, Springvale township, Cambridge township, city of Braham and city of Cambridge, that portion of Sherburne county not included in senate district 17, 23 or 24, and that portion of Morrison county not included in senate district 12 or 13.

The eighteenth senate district is divided into two representative districts as follows:

(a) Representative district 18 A consists of that portion of Morrison county included in senate district 18, all of that portion of Benton county included in senate district 18 except Maywood township, Glendorado township and city of Ronneby, and that portion of Sherburne county included in senate district 18 consisting of Haven township, Palmer township and Santiago township.

(b) Representative district 18 B consists of that portion of senate district 18 not included in representative district 18 A.

Sec. 21. [2.222] [NINETEENTH DISTRICT.]

The nineteenth senate district consists of all of Chisago county, that portion

of Isanti county not included in senate district 18, and that portion of Anoka county consisting of the city of St. Francis, city of Bethel, city of East Bethel, Oak Grove township, city of Ham Lake and Linwood township.

The nineteenth senate district is divided into two representative districts as follows:

(a) Representative district 19 A consists of Chisago county, that portion of Anoka county consisting of Linwood township and that portion of Isanti county consisting of North Branch township.

(b) Representative district 19 B consists of that portion of senate district 19 not included in representative district 19 A.

Sec. 22. [2.232] [TWENTIETH DISTRICT.]

The twentieth senate district consists of all of Lyon county, that portion of Chippewa county consisting of Sparta township and city of Montevideo, that portion of Lac Qui Parle county consisting of Camp Release township, that portion of Lincoln county consisting of Hansonville township, Marble township, Alta Vista township, Royal township, city of Ivanhoe and Limestone township, all of Redwood and Yellow Medicine counties except for those portions included in senate district 21, that portion of Cottonwood county consisting of Ann township, Highwater township, Germantown township, Amboy township and city of Jeffers, and that portion of Brown county consisting of North Star township and Stately township.

The twentieth senate district is divided into two representative districts as follows:

(a) Representative district 20 A consists of that portion of senate district 20 not included in representative district 20 B.

(b) Representative district 20 B consists of that portion of Lyon county consisting of Fairview township, Stanley township, Lake Marshall township, city of Marshall, Clifton township, Amiret township, Monroe township and city of Tracy, and those portions of Redwood county, Cottonwood county and Brown county in senate district 20.

Sec. 23. [2.242] [TWENTY-FIRST DISTRICT.]

The twenty-first senate district consists of all of Kandiyohi county, that portion of Renville county not included in senate district 22, that portion of Yellow Medicine county consisting of Posen township, Sioux Agency township, Echo township and city of Echo, and that portion of Redwood county consisting of Swedes Forest township, Kintire township, city of Belview, Delhi township, city of Delhi, city of Redwood Falls, Honner township and city of North Redwood.

The twenty-first senate district is divided into two representative districts as follows:

(a) Representative district 21 A consists of that portion of Kandiyohi county consisting of Norway Lake township, city of Sunburg, Colfax township, Burbank township, Roseville township, city of Regal, Arctander township, Lake Andrew township, New London township, city of New London, Irving township, Mamre township, Dovre township, Green Lake township, city of Spicer, Harrison township, Willmar township, city of Willmar, Kandiyohi township,

city of Kandiyohi, Genessee township and city of Atwater.

(b) Representative district 21 B consists of that portion of senate district 21 not included in representative district 21 A.

Sec. 24. [2.252] [TWENTY-SECOND DISTRICT.]

The twenty-second senate district consists of all of Meeker county except that portion included in senate districts 16 and 23, that portion of McLeod county not included in senate district 23, that portion of Renville county consisting of Brookfield township, Boon Lake township, Hector township, city of Hector, city of Buffalo Lake and Preston Lake township, that portion of Sibley county consisting of Grafton township, Transit township, New Auburn township, city of New Auburn, Dryden township, city of Gaylord, Green Isle township, Arlington township, city of Arlington, Washington Lake township, city of Green Isle, Jessenland township and Faxon township, and that portion of Carver county consisting of Hollywood township, Watertown township, city of Watertown, Camden township, city of New Germany, Young America township, city of Young America, city of Norwood and city of Hamburg.

The twenty-second senate district is divided into two representative districts as follows:

(a) Representative district 22 A consists of that portion of Meeker and Renville counties included in senate district 22, and that portion of McLeod county consisting of Acoma township, Hutchinson township, city of Hutchinson, Hassan Valley township, city of Stewart and city of Biscay.

(b) Representative district 22 B consists of that portion of senate district 22 not included in representative district 22 A.

Sec. 25. [2.262] [TWENTY-THIRD DISTRICT.]

The twenty-third senate district consists of all of Wright county excluding that portion included in senate district 24 or 25, that portion of McLeod county including Hale township, city of Silver Lake, Winstead township, city of Winstead, that portion of Meeker county including the city of Kingston and Kingston township, and that portion of Sherburne county including the city of Clear Lake, Clear Lake township, Becker township, city of Becker, Big Lake township and city of Big Lake.

The twenty-third senate district is divided into two representative districts as follows:

(a) Representative district 23 A consists of that portion of district 23 not included in representative district 23 B.

(b) Representative district 23 B consists of that portion of Sherburne county consisting of Becker township, Big Lake township, city of Becker and city of Big Lake, and that portion of Wright county consisting of Silver Creek township, Monticello township, city of Monticello, Oisego township, city of Albertville, Buffalo township, city of Buffalo, Frankfort township and city of St. Michael.

Sec. 26. [2.272] [TWENTY-FOURTH DISTRICT.]

The twenty-fourth senate district consists of that portion of Sherburne county including Livonia township, city of Zimmerman and city of Elk River, that

portion of Anoka county including Burns township, city of Ramsey, city of Anoka and city of Andover, that portion of Wright County consisting of the city of Dayton and that portion of Hennepin county including the city of Champlin, city of Dayton and that portion of the city of Brooklyn Park lying north of a line described as follows: commencing with the intersection of the western boundary of the city of Brooklyn Park and 93rd Ave. North, easterly along 93rd Ave. North to Zane Ave., southerly along Zane Ave. to 85th Ave. North, easterly along 85th Ave. North to the Mississippi River.

The twenty-fourth senate district is divided into two representative districts as follows:

(a) Representative district 24 A consists of that portion of Sherburne county including Livonia township, city of Zimmerman and city of Elk River, and that portion of Anoka county including Burns township, city of Ramsey and city of Andover.

(b) Representative district 24 B consists of that portion of senate district 24 not included in representative district 24 A.

Sec. 27. [2.282] [TWENTY-FIFTH DISTRICT.]

The twenty-fifth senate district consists of that portion of Wright county including Rockford township, city of Hanover, city of Rockford, Franklin township and city of Delano, and that portion of Hennepin county including the city of Greenfield, city of Hanover, city of Rockford, city of Independence, city of Maple Plain, city of Mound, city of St. Bonifacius, city of Minnetrista, Hassan township, city of Rogers, city of Corcoran, city of Maple Grove and city of Osseo.

The twenty-fifth senate district is divided into two representative districts as follows:

(a) Representative district 25 A consists of all that portion of senate district 25 not included in representative district 25 B.

(b) Representative district 25 B consists of that portion of Hennepin county consisting of Hassan township, city of Osseo, city of Maple Grove, city of Corcoran and city of Rogers.

Sec. 28. [2.292] [TWENTY-SIXTH DISTRICT.]

The twenty-sixth senate district consists of all of Lincoln county not included in senate district 20 and all of Pipestone, Murray, Rock and Nobles counties.

The twenty-sixth senate district is divided into two representative districts as follows:

(a) Representative district 26 A consists of that portion of senate district 26 not included in representative district 26 B.

(b) Representative district 26 B consists of that portion of Pipestone county consisting of the city of Ihlen, city of Jasper, Eden township, city of Trosky and Elmer township, all of Rock county, and all of Nobles county except Leota township, Wilmont township, city of Wilmont, Bloom township, Seward township, city of Dundee, city of Kinbrae, Graham Lakes township, Hersey township and city of Brewster.

Sec. 29. [2.302] [TWENTY-SEVENTH DISTRICT.]



*The twenty-seventh senate district consists of all of Jackson and Watonwan counties, that portion of Martin county not included in senate district 30, and that portion of Cottonwood county not included in senate district 20 or 28.*

*The twenty-seventh senate district is divided into two representative districts as follows:*

*(a) Representative district 27 A consists of that portion of senate district 27 not included in representative district 27 B.*

*(b) Representative district 27 B consists of that portion of Cottonwood county in senate district 27 consisting of Delton township, Selma township, Midway township and city of Mountain Lake, all of Watonwan county except Odin township, city of Odin, Long Lake township and city of Ormsby, and that portion of Martin county in senate district 27 consisting of Waverly township, Westford township, city of Truman, Fraser township, Rutland township, city of Northrop, Rolling Green township, Fairmont township, city of Fairmont, Tenhassen township and Silver Lake township.*

**Sec. 30. [2.312] [TWENTY-EIGHTH DISTRICT.]**

*The twenty-eighth senate district consists of that portion of Brown county not included in senate district 20, that portion of Nicollet county not included in senate district 29, that portion of Sibley county consisting of Moltke township, Severance township, city of Gibbon, Bismarck township, Cornish township, city of Winthrop, Alfsborg township, Sibley township, Kelso township, Henderson township and city of Henderson, that portion of Cottonwood county consisting of the city of Comfrey, and that portion of Le Sueur county including Tyrone township, city of Le Sueur, Sharon township, Ottawa township, Cleveland township, city of Cleveland, Kasota township, city of Kasota and Washington township.*

*The twenty-eighth senate district is divided into two representative districts as follows:*

*(a) Representative district 28 A consists of those portions of Brown and Cottonwood counties located in senate district 28, that portion of Nicollet county consisting of Ridgely township and West Newton township, and that portion of Sibley county consisting of Moltke township, Bismarck township, Severance township and city of Gibbon.*

*(b) Representative district 28 B consists of that portion of senate district 28 not included in representative district 28 A.*

**Sec. 31. [2.322] [TWENTY-NINTH DISTRICT.]**

*The twenty-ninth senate district consists of all of Blue Earth county and that portion of Nicollet county consisting of the city of North Mankato and the city of Mankato.*

*The twenty-ninth senate district is divided into two representative districts as follows:*

*(a) Representative district 29 A consists of that portion of senate district 29 consisting of all of the city of North Mankato and that portion of the city of Mankato lying north and west of a line described as follows: commencing at the intersection of the Minnesota River and U. S. highway 169, southwesterly along U. S. highway 169 to Poplar St., easterly along Poplar St. to Warren*

*Ave., southeasterly along Warren Ave. to Front St., southwesterly along Front St. to Liberty St., southeasterly along Liberty St. to Van Brunt St., southwesterly along Van Brunt St. to Byron St., southerly along Byron St. to Fairfield Ave., westerly along Fairfield Ave. to Stoltzman Road, southerly along Stoltzman Road to the southern boundary of the city of Mankato, southerly, easterly and then northerly along the southern boundary of the city of Mankato to Stadium Road, westerly along Stadium Road to Ellis Ave., northerly along Ellis Ave. to Birchwood Ave., northerly along Birchwood Ave. to Highland Ave., southeasterly along Highland Ave. to Cedar St., easterly along Cedar St. to Warren St., southeasterly along Warren St. to Balcerzak Drive, easterly along Balcerzak Drive to the southern boundary of the city of Mankato, easterly along the southern boundary of the city of Mankato to its eastern boundary, and northerly and westerly along the eastern and northern boundaries of the city of Mankato to the boundary of Nicollet county.*

*(b) Representative district 29 B consists of that portion of senate district 29 not included in representative district 29 A.*

Sec. 32. [2.332] [THIRTIETH DISTRICT.]

*The thirtieth senate district consists of all of Faribault and Waseca counties, that portion of Steele county consisting of Deerfield township, Meriden township, Lemond township, Berlin township, city of Ellendale, Somerset township, Summit township, Aurora township, Blooming Prairie township and city of Blooming Prairie, that portion of Freeborn county not included in senate district 31, that portion of Martin county consisting of Nashville township, Center Creek township, city of Granada, Pleasant Prairie township and East Chain township, and that portion of Dodge county including Westfield township, Hayfield township and city of Hayfield.*

*The thirtieth senate district is divided into two representative districts as follows:*

*(a) Representative district 30 A consists of all of that portion of Martin county included in senate district 30, all of Faribault county, that portion of Waseca county including Vivian township, city of Waldorf, Byron township, New Richland township and city of New Richland, and that portion of Freeborn county included in senate district 30 consisting of Freeborn township, Carlston township, city of Freeborn, Alden township, city of Alden, Mansfield township, Hartland township, city of Hartland, Manchester township, city of Manchester, Pickerel Lake township, city of Conger and Bancroft township.*

*(b) Representative district 30 B consists of that portion of senate district 30 not included in representative district 30 A.*

Sec. 33. [2.342] [THIRTY-FIRST DISTRICT.]

*The thirty-first senate district consists of that portion of Freeborn county consisting of the city of Albert Lea, Albert Lea township, Freeman township, Hayward township, city of Hayward, city of Glenville, Shell Rock township, Oakland township, city of Myrtle, London township, Nunda township, city of Twin Lakes and city of Emmons, and that portion of Mower county consisting of the city of Lyle, Lyle township, Austin township, city of Austin, city of Mapleview, Lansing township, Udolpho township, Waltham township, city of Waltham, Red Rock township, city of Brownsdale, Windom township, city of Rose Creek, Nevada township, Adams township, city of Adams, Lodi township*

and city of Taopi.

*The thirty-first senate district is divided into two representative districts as follows:*

*(a) Representative district 31 A consists of that portion of senate district 31 not included in representative district 31 B.*

*(b) Representative district 31 B consists of that portion of Mower county consisting of Austin township, city of Austin, Lansing township, city of Mapleview, Udolpho township, Waltham township, city of Waltham, Red Rock township and city of Brownsdale.*

**Sec. 34. [2.352] [THIRTY-SECOND DISTRICT.]**

*The thirty-second senate district consists of all of Dodge county except that portion located in senate district 30, that portion of Steele county not included in senate district 30, and that portion of Olmsted county consisting of New Haven township, Kalmar township, city of Byron, Salem township, Rock Dell township, High Forest township, city of Stewartville, Rochester township, Pleasant Grove township, Marion township, Oronoco township, city of Oronoco and Farmington township.*

*The thirty-second senate district is divided into two representative districts as follows:*

*(a) Representative district 32 A consists of that portion of Steele county included in senate district 32 and that portion of Dodge county consisting of Ellington township, Claremont township, city of Claremont, Ripley township, Concord township, city of West Concord, Wasioja township, city of Dodge Center, Ashland township, Canisteo township and Vernon township.*

*(b) Representative district 32 B consists of that portion of senate district 32 not included in representative district 32 A.*

**Sec. 35. [2.362] [THIRTY-THIRD DISTRICT.]**

*The thirty-third senate district consists of that portion of Olmsted county consisting of the city of Rochester and Cascade township.*

*The thirty-third senate district is divided into two representative districts as follows:*

*(a) Representative district 33 A consists of that portion of Olmsted county consisting of all of Cascade township and that portion of the city of Rochester located west and north of a line described as follows: commencing at the intersection of 2nd St. Southwest with the western boundary of the city of Rochester, northeasterly along the boundary of the city to its intersection with the Chicago and Northwestern Railway tracks, southeasterly along the Chicago and Northwestern Railway tracks to Cascade Creek, northerly along Cascade Creek to 7th St. Northwest, easterly along 7th St. Northwest to 6th Ave. Northwest, northerly along 6th Ave. Northwest to 8th St. Northwest, easterly along 8th St. Northwest and Northeast to 2nd Ave. Northeast, southerly along 2nd Ave. Northeast to 7th St. Northeast, easterly along 7th St. Northeast to 11th Ave. Northeast, northerly along 11th Ave. Northeast to 14th St. Northeast, easterly along 14th St. Northeast to the eastern boundary of the city of Rochester, and along the boundary of the city of Rochester as it turns north, encircles the area bounded by 20th Ave. Northeast, Mesa Verde Drive,*

and 21st Ave. Northeast, and turns east, to the eastern boundary of the city of Rochester.

(b) Representative district 33 B consists of that portion of senate district 33 not included in representative district 33 A.

Sec. 36. [2.372] [THIRTY-FOURTH DISTRICT.]

The thirty-fourth senate district consists of all of Winona county except that portion included in senate district 35, all of Wabasha county, and that portion of Goodhue county including Florence township, city of Lake City, Belvidere township and city of Bellechester.

The thirty-fourth senate district is divided into two representative districts as follows:

(a) Representative district 34 A consists of that portion of senate district 34 not included in representative district 34 B.

(b) Representative district 34 B consists of that portion of Winona county consisting of Rollingstone township, city of Rollingstone, city of Minnesota City, city of Goodview, Winona township and city of Winona.

Sec. 37. [2.382] [THIRTY-FIFTH DISTRICT.]

The thirty-fifth senate district consists of all of Fillmore and Houston counties, that portion of Olmsted county consisting of Haverhill township, Viola township, Quincy township, Eyota township, city of Eyota, Dover township, city of Dover, Orion township, Elmira township and city of Chatfield, that portion of Mower county not located within senate district 31, and that portion of Winona county consisting of Wilson township, Homer township, Richmond township, Saratoga township, Fremont township, Hart township, Wiscoy township, Pleasant Hill township, New Hartford township, Dresbach township and city of Dakota.

The thirty-fifth senate district is divided into two representative districts as follows:

(a) Representative district 35 A consists of that portion of senate district 35 not included in representative district 35 B.

(b) Representative district 35 B consists of all of Houston county, that portion of Fillmore county consisting of Arendahl township, city of Peterson, city of Rushford, city of Rushford Village, Norway township, Preble township, Newburg township and city of Mabel, and that portion of Winona county included in senate district 35.

Sec. 38. [2.392] [THIRTY-SIXTH DISTRICT.]

The thirty-sixth senate district consists of all of Rice county except Northfield township, that portion of Le Sueur county not included in senate district 28, and that portion of Scott county consisting of the city of New Prague.

The thirty-sixth senate district is divided into two representative districts as follows:

(a) Representative district 36 A consists of that portion of Le Sueur county including Derrynane township, Lanesburgh township, city of New Prague, city of Heidelberg, Lexington township, city of LeCenter, city of Montgomery and

*Montgomery township, that portion of Rice county including Wheatland township, city of Lonsdale, Webster township, Forest township, Bridgewater township, city of Dundas and city of Northfield, and that portion of Scott county consisting of the city of New Prague.*

*(b) Representative district 36 B consists of all of that portion of senate district 36 not included in representative district 36 A.*

**Sec. 39. [2.402] [THIRTY-SEVENTH DISTRICT.]**

*The thirty-seventh senate district consists of that portion of Scott county consisting of New Market township, city of New Market and city of Elko, that portion of Dakota county including the city of Farmington, Empire township, city of Coates, city of Vermillion, Vermillion township, Marshan township, Ravenna township, Eureka township, Castle Rock township, city of Hampton, city of New Trier, Hampton township, city of Miesville, Douglas township, Greenvale township, city of Northfield, Waterford township, Sciota township, city of Randolph, Randolph township, and that portion of the city of Lakeville east of Dodd Blvd., that portion of Rice county consisting of Northfield township, and all of Goodhue county except for that portion included in senate district 34.*

*The thirty-seventh senate district is divided into two representative districts as follows:*

*(a) Representative district 37 A consists of that portion of senate district 37 not included in representative district 37 B.*

*(b) Representative district 37 B consists of that portion of Goodhue county including Welch township, city of Red Wing, Wacouta township, Vasa township, Featherstone township, Hay Creek township, Leon township, Belle Creek township, Goodhue township, city of Goodhue, Holden township, Wanamingo township, city of Wanamingo, Minneola township, Zumbrota township, city of Zumbrota, Kenyon township, city of Kenyon, Cherry Grove township, Roscoe township, Pine Island township and city of Pine Island.*

**Sec. 40. [2.412] [THIRTY-EIGHTH DISTRICT.]**

*The thirty-eighth senate district consists of all of Scott county except New Market township, city of New Prague, city of New Market and city of Elko, and that portion of Carver county consisting of Waconia township, city of Waconia, city of Mayer, Laketown township, city of Victoria, Chaska township, city of Chaska, Benton township, city of Cologne, Dahlgren township, city of Carver, Hancock township and San Francisco township.*

*The thirty-eighth senate district is divided into two representative districts as follows:*

*(a) Representative district 38 A consists of all of that portion of senate district 38 not included in representative district 38 B.*

*(b) Representative district 38 B consists of all of that portion of Scott county located in senate district 38 except Jackson township, Louisville township, Sand Creek township, St. Lawrence township, city of Jordan and city of Belle Plaine.*

**Sec. 41. [2.422] [THIRTY-NINTH DISTRICT.]**

*The thirty-ninth senate district consists of that portion of Hennepin county*

consisting of all of the city of Richfield, all of Fort Snelling area township, and that portion of the city of Bloomington lying within a line described as follows: commencing at the intersection of the northern boundary of the city of Bloomington and interstate highway 35W, southerly along interstate highway 35W to W. 90th St., easterly along W. 90th St. to Lyndale Ave. South, southerly along Lyndale Ave. South to W. 95th St., easterly along W. 95th St. to 3rd Ave., southerly along 3rd Ave. to E. 96th St., easterly along E. 96th St. to Chicago Ave. South, northerly along Chicago Ave. South to E. 92nd St., easterly along E. 92nd St. to 17th Ave., southerly along 17th Ave. to Old Shakopee Road, northeasterly along Old Shakopee Road to Cedar Ave. South, southerly and southeasterly along Cedar Ave. South to the Minnesota River, following the Minnesota River to its junction with the north city line and westerly along the north city line to the point of origin.

The thirty-ninth senate district is divided into two representative districts as follows:

(a) Representative district 39 A consists of that portion of the cities of Richfield and Bloomington lying west of a line described as follows: commencing at the intersection of the northern boundary of the city of Richfield and Portland Ave. South, southerly along Portland Ave. South to E. 68th St., westerly along E. 68th St. to 2nd Ave. South, southerly along 2nd Ave. South to the southern boundary of the city of Richfield, westerly along the southern boundary of the city of Richfield to Nicollet Ave. South, southerly along Nicollet Ave. South to E. 92nd St., easterly along E. 92nd St. to Portland Ave. South and southerly along Portland Ave. South to E. 96th St.

(b) Representative district 39 B consists of that portion of senate district 39 not included in representative district 39 A.

Sec. 42. [2.432] [FORTIETH DISTRICT.]

The fortieth senate district consists of that portion of Hennepin county consisting of all of the city of Bloomington except that portion contained in senate district 39.

The fortieth senate district is divided into two representative districts as follows:

(a) Representative district 40 A consists of that portion of senate district 40 not included in representative district 40 B.

(b) Representative district 40 B consists of that portion of the city of Bloomington located in Senate District 40 lying west of a line described as follows: commencing at the intersection of the northern boundary of the city of Bloomington with France Ave. South, southerly along France Ave. South to W. 98th St., easterly along W. 98th St. to Brookside Ave., southerly along Brookside Ave. to W. 100th St., westerly along W. 100th St. to Xerxes Ave. South, southerly along Xerxes Ave. South to the Minneapolis, Northfield and Southern Railway tracks, southwesterly along the Minneapolis, Northfield and Southern Railway tracks to France Ave. South, southerly along France Ave. South to Overlook Drive, westerly along Overlook Drive to Irwin Ave. and southerly along Irwin Ave. to the Minnesota River.

Sec. 43. [2.442] [FORTY-FIRST DISTRICT.]

The forty-first senate district consists of that portion of Hennepin county

consisting of all of the city of Edina, all of the city of Eden Prairie except that portion included in senate district 42, and that portion of the city of Hopkins lying within a line described as follows: commencing at the intersection of the Chicago and Northwestern Railway tracks with county highway 18, southerly along county highway 18 to the northern boundary of the city of Edina, easterly along the northern boundary of the city of Edina to the eastern boundary of the city of Hopkins, northerly, southwesterly, northerly, westerly and northerly along the eastern boundary of the city of Hopkins to the Chicago and Northwestern Railway tracks, and southwesterly along the Chicago and Northwestern Railway tracks to the point of origin.

The forty-first senate district is divided into two representative districts as follows:

(a) Representative district 41 A consists of all of that portion of the city of Hopkins included in senate district 41, and that portion of the city of Edina lying north of a line described as follows: commencing at the intersection of state highway 62 and the western boundary of the city of Edina, easterly along state highway 62 to France Ave. South, southerly along France Ave. South to W. 70th St. and easterly along W. 70th St. to Xerxes Ave. South.

(b) Representative district 41 B consists of that portion of senate district 41 not included in representative district 41 A.

#### Sec. 44. [2.452] [FORTY-SECOND DISTRICT.]

The forty-second senate district consists of that portion of Carver county consisting of the city of Chanhassen, and that portion of Hennepin county consisting of the cities of Chanhassen, Deephaven, Excelsior, Greenwood, Long Lake, Minnetonka Beach, Orono, Shorewood, Spring Park, Tonka Bay, Wayzata and Woodland, that portion of the city of Eden Prairie lying north and west of the tracks of the Chicago, Milwaukee, St. Paul and Pacific Railway, and that portion of the city of Minnetonka not included in senate district 44.

The forty-second senate district is divided into two representative districts as follows:

(a) Representative district 42 A consists of that portion of Hennepin county consisting of the cities of Deephaven, Wayzata and Woodland, and all of that portion of the city of Minnetonka located in senate district 42 except that area lying south and west of a line described as follows: commencing at the intersection of state highway 7 and the western boundary of the city of Minnetonka, easterly along state highway 7 to state highway 101 and southwesterly along state highway 101 to the southern boundary of the city of Minnetonka.

(b) Representative district 42 B consists of that portion of senate district 42 not included in representative district 42 A.

#### Sec. 45. [2.462] [FORTY-THIRD DISTRICT.]

The forty-third senate district consists of that portion of Hennepin county consisting of the city of St. Louis Park, all of that portion of the city of Hopkins not included in senate district 41, and that portion of the city of Golden Valley lying south of a line described as follows: commencing at the intersection of state highway 55 and the western boundary of the city of Golden Valley, easterly along state highway 55 to state highway 100, southerly along state

highway 100 to Turners Crossroad extended and Turners Crossroad to the southern boundary of the city of Golden Valley and easterly along the southern boundary of the city of Golden Valley to its eastern boundary.

The forty-third senate district is divided into two representative districts as follows:

(a) Representative district 43 A consists of that portion of senate district 43 lying west and south of a line described as follows: commencing at the intersection of county road 18 and the southern boundary of the city of Plymouth, southerly along county road 18 to the northern boundary of the city of St. Louis Park, easterly along the northern boundary of the city of St. Louis Park to Louisiana Ave., southerly along Louisiana Ave. to Minnetonka Blvd., westerly along Minnetonka Blvd. to Rhode Island Ave., southerly along Rhode Island Ave. to W. 34th St., easterly along W. 34th St. to Quebec Ave., southerly along Quebec Ave. to W. 35th St., easterly along W. 35th St. to Pennsylvania Ave., southerly along Pennsylvania Ave. to Walker St., easterly along Walker St. to W. Lake St., southwesterly along W. Lake St. to Hampshire Ave., southerly along Hampshire Ave. and Hampshire Ave. extended to the Chicago and Northwestern Railway tracks and southwesterly along the Chicago and Northwestern Railway tracks to the eastern boundary of the city of Hopkins.

(b) Representative district 43 B consists of all of that portion of senate district 43 not included in representative district 43 A.

#### Sec. 46. [2.472] [FORTY-FOURTH DISTRICT.]

The forty-fourth senate district consists of that portion of Hennepin county consisting of the cities of Loretto, Medina, Plymouth and Medicine Lake, that portion of the city of Minnetonka lying north and east of the Chicago and Northwestern Railway tracks and that portion of the city of Golden Valley lying north and west of a line described as follows: commencing at the intersection of the northern boundary of the city of Golden Valley and state highway 100, southerly along state highway 100 to state highway 55, westerly along state highway 55 to the western boundary of the city of Golden Valley.

The forty-fourth senate district is divided into two representative districts as follows:

(a) Representative district 44 A consists of that portion of senate district 44 not included in representative district 44 B.

(b) Representative district 44 B consists of the city of Medicine Lake, that portion of the city of Golden Valley located in senate district 44, and that portion of the city of Plymouth lying north and east of a line described as follows: commencing at the intersection of Medina Road and Brockton Lane, southeasterly along Medina Road to state highway 101, northerly along state highway 101 to state highway 55, southeasterly along state highway 55 to Dunkirk Lane, southerly along Dunkirk Lane to county road 6, easterly along county road 6 to interstate highway 494, southerly along interstate highway 494 to the northern boundary of the city of Minnetonka and easterly along the northern boundary of the city of Minnetonka to the western boundary of the city of St. Louis Park.

#### Sec. 47. [2.482] [FORTY-FIFTH DISTRICT.]

The forty-fifth senate district consists of that portion of Hennepin county



lying within a line described as follows: commencing at the intersection of 27th Ave. North and Mendelssohn Ave. North, northerly along Mendelssohn Ave. North to interstate highway 94, southeasterly along interstate highway 94 to U. S. highway 52, southeasterly along U. S. highway 52 to the southern boundary of the city of Brooklyn Park, easterly along the southern boundary of the city of Brooklyn Park to the western boundary of the city of Brooklyn Center, northerly along the western boundary of the city of Brooklyn Center to 63rd Ave. North, easterly along 63rd Ave. North to state highway 152, southerly along state highway 152 to Bass Lake Road, easterly along Bass Lake Road to Shingle Creek, southerly along Shingle Creek to 53rd Ave. North, westerly along 53rd Ave. North to Xerxes Ave. North, southerly along Xerxes Ave. North to the northern boundary of the city of Robbinsdale, westerly along the northern boundary of the city of Robbinsdale to the western boundary of the city of Robbinsdale, southerly along the western boundary of the city of Robbinsdale to 34th Ave. North, westerly along 34th Ave. North to Vera Cruz Ave. North, southerly along Vera Cruz Ave. North to the southern boundary of the city of Crystal, westerly along the southern boundary of the city of Crystal to 27th Ave. North and westerly along 27th Ave. North to the point of origin.

The forty-fifth senate district is divided into two representative districts as follows:

(a) Representative district 45 A consists of that portion of senate district 45 lying north of a line described as follows: commencing at the intersection of Mendelssohn Ave. and the Soo Line Railway tracks, easterly along the Soo Line Railway tracks to Winnetka Ave. North, southerly along Winnetka Ave. North to 49th Ave. North, easterly along 49th Ave. North to Nevada Ave. North, southerly along Nevada Ave. North to 47th Ave. North, easterly along 47th Ave. North to the northern boundary of the city of Robbinsdale and easterly along the northern boundary of the city of Robbinsdale to Xerxes Ave. North.

(b) Representative district 45 B consists of that portion of senate district 45 not included in representative district 45 A.

#### Sec. 48. [2.492] [FORTY-SIXTH DISTRICT.]

The forty-sixth senate district consists of that portion of Hennepin county consisting of that portion of the city of Brooklyn Park not included in senate district 45 or 24 and that portion of the city of Brooklyn Center not included in senate district 45.

The forty-sixth senate district is divided into two representative districts as follows:

(a) Representative district 46 A consists of that portion of senate district 46 lying north of a line described as follows: commencing at the intersection of the western boundary of the city of Brooklyn Park and interstate highway 94, southeasterly along interstate highway 94 to the western boundary of the city of Brooklyn Center, northerly along the western boundary of the city of Brooklyn Center to its northern boundary, easterly along the northern boundary of Brooklyn Center to Xerxes Ave. North extended, northerly along Xerxes Ave. North extended and Xerxes Ave. North to Brookdale Drive and southeasterly and easterly along Brookdale Drive to the Mississippi River.

(b) Representative district 46 B consists of that portion of senate district 46

not included in representative district 46 A.

Sec. 49. [2.502] [FORTY-SEVENTH DISTRICT.]

The forty-seventh senate district consists of that portion of Anoka county consisting of the city of Coon Rapids and that portion of the city of Blaine not included in senate district 48.

The forty-seventh senate district is divided into two representative districts as follows:

(a) Representative district 47 A consists of that portion of the city of Coon Rapids lying west of a line described as follows: commencing at the intersection of the northern boundary of the city of Coon Rapids with its eastern boundary, southerly along the eastern boundary of the city of Coon Rapids to Sand Creek, northwesterly along Sand Creek to Kumquat St., extended, southerly along Kumquat St. extended and Kumquat St. to Egret Blvd., westerly along Egret Blvd. to U. S. highway 10, southeasterly along U. S. highway 10 to Foley Blvd., northerly along Foley Blvd. to 101st Ave. Northwest, easterly along 101st Ave. Northwest to Butternut St., northerly along Butternut St. to 101st Ave. Northwest, easterly along 101st Ave. Northwest to the eastern boundary of the city of Coon Rapids and southerly along the eastern boundary of the city of Coon Rapids to its southern boundary.

(b) Representative district 47 B consists of that portion of senate district 47 not included in representative district 47 A.

Sec. 50. [2.512] [FORTY-EIGHTH DISTRICT.]

The forty-eighth senate district consists of that portion of Anoka county consisting of the cities of Fridley and Spring Lake Park and that portion of the city of Blaine lying south and east of a line described as follows: commencing at the intersection of state highway 65 and the southern boundary of the city of Blaine, northerly along state highway 65 to 105th St. Northeast, easterly along 105th St. Northeast to Radisson Road, southerly along Radisson Road to 101st Ave. Northeast, easterly along 101st Ave. Northeast to Naples St., southerly along Naples St. to 95th Ave. Northeast, easterly along 95th Ave. Northeast to the eastern boundary of the city of Blaine, and southerly and easterly along the eastern boundary of the city of Blaine to its southern boundary; and that portion of Ramsey county consisting of the cities of Blaine and Spring Lake Park and those portions of the cities of Arden Hills and New Brighton not included in senate district 61.

The forty-eighth senate district is divided into two representative districts as follows:

(a) Representative district 48 A consists of that portion of senate district 48 not included in representative district 48 B.

(b) Representative district 48 B consists of the city of Fridley.

Sec. 51. [2.522] [FORTY-NINTH DISTRICT.]

The forty-ninth senate district consists of that portion of Anoka county consisting of Columbus township, city of Lexington, city of Circle Pines, city of Lino Lakes and city of Centerville, and that portion of Ramsey county consisting of White Bear township, city of White Bear Lake, city of Gem Lake, city of Vadnais Heights, city of Little Canada, that portion of the city of Shoreview not

included in senate district 61, and that portion of the city of Maplewood not included in senate district 50, 64, 66 or 67.

The forty-ninth senate district is divided into two representative districts as follows:

(a) Representative district 49 A consists of that portion of senate district 49 not located in representative district 49 B.

(b) Representative district 49 B consists of that portion of senate district 49 lying north and east of a line described as follows: commencing at the intersection of the northern boundary of the city of Vadnais Heights with its western boundary, easterly along the northern boundary of the city of Vadnais Heights to its eastern boundary, southerly and easterly along the eastern boundary of the city of Vadnais Heights to the northern boundary of the city of Gem Lake, northeasterly along the eastern boundary of the city of Gem Lake to its eastern boundary, southerly along the eastern boundary of the city of Gem Lake to U. S. highway 61, northeasterly along U. S. highway 61 to County Road F, easterly along County Road F to the eastern boundary of the city of White Bear Lake, northerly along the eastern boundary of the city of White Bear Lake to the shore of White Bear Lake and southeasterly along the shore of White Bear Lake to the Ramsey county boundary.

Sec. 52. [2.532] [FIFTIETH DISTRICT.]

The fiftieth senate district consists of that portion of Washington county consisting of the city of Forest Lake, Forest Lake township, city of Hugo, Grant township, city of Dellwood, city of Mahtomedi, city of Willernie, city of Birchwood, city of Pine Springs, city of Lake Elmo, city of White Bear Lake, that portion of the city of Oakdale not included in senate district 66 and that portion of the city of Woodbury not included in senate district 67, that portion of Ramsey county consisting of the city of North St. Paul, and that portion of the city of Maplewood lying east of a line described as follows: commencing at the intersection of County Road D and Hazelwood St., southerly along Hazelwood St. to County Road B, westerly along County Road B to U. S. highway 61, northeasterly along U. S. highway 61 to state highway 36, westerly along state highway 36 to McMenemy St., southerly along McMenemy St. to Roselawn Ave., easterly along Roselawn Ave. to U. S. highway 61 and southerly along U. S. highway 61 to Larpenteur Ave.

The fiftieth senate district is divided into two representative districts as follows:

(a) Representative district 50 A consists of that portion of senate district 50 not included in representative district 50 B.

(b) Representative district 50 B consists of that portion of senate district 50 lying west of a line described as follows: commencing at the intersection of the eastern boundary of the city of Maplewood with its northern boundary, southerly along the eastern boundary of the city of Maplewood to Upper 51st St. North, easterly along Upper 51st St. North to state highway 36, northeasterly along state highway 36 to the western boundary of the city of Pine Springs, southerly along the western boundary of the city of Pine Springs to its southern boundary, easterly along the southern boundary of the city of Pine Springs to interstate highway 694 and southerly along interstate highway 694 to the Chicago and Northwestern Railway tracks.

## Sec. 53. [2.542] [FIFTY-FIRST DISTRICT.]

*The fifty-first senate district consists of that portion of Washington county consisting of New Scandia township, May township, city of Marine-on-the-St. Croix, Stillwater township, city of Stillwater, city of Oak Park Heights, Baytown township, city of Bayport, West Lakeland township, city of Lakeland, city of Lakeland Shores, city of Lake St. Croix Beach, city of St. Mary's Point, city of Afton, Denmark township, City of Cottage Grove, Grey Cloud Island township, city of St. Paul Park and city of Newport.*

*The fifty-first senate district is divided into two representative districts as follows:*

*(a) Representative district 51 A consists of that portion of senate district 51 not located in representative district 51 B.*

*(b) Representative district 51 B consists of that portion of Washington county consisting of the city of Newport, city of St. Paul Park, Grey Cloud Island township, city of Cottage Grove, Denmark township and that portion of the city of Afton south and west of a line described as follows: commencing at the intersection of the northern boundary of the city of Afton and Stagecoach Trail South, southerly along Stagecoach Trail South to state highway 95, northeasterly along state highway 95 to the western boundary of the city of St. Mary's Point, southerly and northeasterly along the western, southern and eastern boundaries of the city of St. Mary's Point to the southern boundary of the city of Lake St. Croix Beach and easterly along the southern boundary of the city of Lake St. Croix Beach to the Wisconsin boundary.*

## Sec. 54. [2.552] [FIFTY-SECOND DISTRICT.]

*The fifty-second senate district consists of that portion of Washington county consisting of the city of Hastings, and that portion of Dakota county consisting of the city of Hastings, Nininger township, city of Rosemount, city of Inver Grove Heights, city of Sunfish Lake, city of South St. Paul, and that portion of the city of West St. Paul lying south and east of a line described as follows: commencing at the intersection of Charlton Ave. and the southern boundary of the city of West St. Paul, northerly along Charlton Ave. to Wentworth Ave., easterly along Wentworth Ave. to S. Robert St., northerly along S. Robert St. to Thompson Ave. and easterly along Thompson Ave. to the eastern boundary of the city of West St. Paul.*

*The fifty-second senate district is divided into two representative districts as follows:*

*(a) Representative district 52 A consists of that portion of the city of West St. Paul located in senate district 52, the cities of South St. Paul and Sunfish Lake, and that portion of the city of Inver Grove Heights located north of a line described as follows: commencing at the western boundary of the city of Inver Grove Heights and 70th St. West, easterly along 70th St. West and 70th St. East to Cahill Ave., northwesterly along Cahill Ave. to 69th St. East, easterly along 69th St. East to the western boundary of the city of South St. Paul and southerly, easterly, northerly and easterly along the boundary of the city of South St. Paul to the main channel of the Mississippi River.*

*(b) Representative district 52 B consists of that portion of senate district 52 not included in representative district 52 A.*

**Sec. 55. [2.562] [FIFTY-THIRD DISTRICT.]**

*The fifty-third senate district consists of that portion of Dakota county consisting of all of the city of Burnsville, that portion of the city of Lakeville lying north and west of Dodd Blvd., and that portion of the city of Apple Valley lying south and west of a line described as follows: commencing at the intersection of Galaxie Ave. and the northern boundary of the city of Apple Valley, southerly along Galaxie Ave. to W. 140th St., easterly along W. 140th St. to Pilot Knob Road, southerly along Pilot Knob Road to Upper 147th St., easterly along Upper 147th St. to Embry Path, northeasterly along Embry Path to 147th Path West and easterly along 147th Path West to the eastern boundary of the city of Apple Valley.*

*The fifty-third senate district is divided into two representative districts as follows:*

*(a) Representative district 53 A consists of that portion of the city of Burnsville north of County Road 42.*

*(b) Representative district 53 B consists of that portion of senate district 53 not included in representative district 53 A.*

**Sec. 56. [2.572] [FIFTY-FOURTH DISTRICT.]**

*The fifty-fourth senate district consists of that portion of Hennepin county consisting of the city of Robbinsdale and that portion of the city of Minneapolis located within a line described as follows: commencing at the intersection of the Mississippi River with the northern boundary of the city of Minneapolis, westerly along the northern boundary of the city of Minneapolis to its western boundary, southerly along the western boundary of the city of Minneapolis to Golden Valley Ave. North, easterly along Golden Valley Ave. North to Girard Ave. North, northerly along Girard Ave. North to W. Broadway Ave. North, easterly along W. Broadway Ave. North to the Mississippi River and northerly along the Mississippi River to the point of origin.*

*The fifty-fourth senate district is divided into two representative districts as follows:*

*(a) Representative district 54 A consists of that portion of senate district 54 not included in representative district 54 B.*

*(b) Representative district 54 B consists of that portion of senate district 54 lying south of a line described as follows: commencing at the intersection of 36th Ave. North and June Ave. North, easterly along 36th Ave. North to France Ave. North, northerly along France Ave. North to U. S. highway 52, southeasterly along U. S. highway 52 to Xerxes Ave. North, northerly along Xerxes Ave. North to 35th Ave North, easterly along 35th Ave. North to Girard Ave. North, northerly along Girard Ave. North to 38th Ave. North, westerly along 38th Ave. North to Humboldt Ave. North, northerly along Humboldt Ave. North to 40th Ave. North, easterly along 40th Ave. North to Bryant Ave. North, northerly along Bryant Ave. North to 41st Ave. North, easterly along 41st Ave. North to Lyndale Ave. North, northerly along Lyndale Ave. North to 42nd Ave. North and easterly along 42nd Ave. North to the Mississippi River.*

**Sec. 57. [2.582] [FIFTY-FIFTH DISTRICT.]**

*The fifty-fifth senate district consists of that portion of Anoka, Hennepin and*

*Ramsey counties consisting of that portion of the cities of Minneapolis, St. Anthony, Hilltop and Columbia Heights located within the area described as follows: commencing at the intersection of 45th Ave. Northeast and Main St., southerly along Main St. to 40th Ave. Northeast, westerly along the boundary of Columbia Heights extending westerly from 40th Ave. Northeast, southerly and westerly to the Mississippi River, southerly along the main channel of the Mississippi River to Broadway St. East, easterly along Broadway St. East to Central Ave. Northeast, northerly along Central Ave. Northeast to 18th Ave. Northeast, easterly along 18th Ave. Northeast to New Brighton Blvd., northeasterly along New Brighton Blvd. to Lowry Ave. Northeast, easterly along Lowry Ave. Northeast to the western boundary of the city of St. Anthony, southerly along the western boundary of the city of St. Anthony to its southern boundary, easterly along the southern boundary of the city of St. Anthony to its eastern boundary, northerly along the eastern boundary of the city of St. Anthony to its northern boundary, westerly along the northern boundary of the city of St. Anthony to the eastern boundary of the city of Columbia Heights, northerly along the eastern boundary of the city of Columbia Heights to its northern boundary, westerly along the northern boundary of the city of Columbia Heights to its western boundary and southerly along the western boundary of the city of Columbia Heights to the point of origin.*

*The fifty-fifth senate district is divided into two representative districts as follows:*

*(a) Representative district 55 A consists of that portion of senate district 55 not included in representative district 55 B.*

*(b) Representative district 55 B consists of that portion of senate district 55 lying east of a line described as follows: commencing at the intersection of state highway 65 and the northern boundary of the city of Columbia Heights, southerly along state highway 65 to 37th Ave. Northeast, easterly along 37th Ave. Northeast to Fillmore St. Northeast, southerly along Fillmore St. Northeast to Lowry Ave. Northeast, easterly along Lowry Ave. Northeast to Pierce St. Northeast and southerly along Pierce St. Northeast to 18th Ave. Northeast.*

**Sec. 58. [2.592] [FIFTY-SIXTH DISTRICT.]**

*The fifty-sixth senate district consists of that portion of Hennepin county consisting of that portion of the cities of Minneapolis and Golden Valley lying within a line described as follows: commencing at the intersection of Turners Crossroad and the northern boundary of the city of St. Louis Park, easterly, southerly and easterly along the northern boundary of the city of St. Louis Park to the eastern boundary of the city of St. Louis Park, southerly along the eastern boundary of the city of St. Louis Park to Minnetonka Blvd., easterly along Minnetonka Blvd. to W. Lake St., easterly along W. Lake St. to East Lake Calhoun Parkway, northeasterly along East Lake Calhoun Parkway to the mall, easterly along W. 29th St. to Irving Ave. South, northeasterly along Irving Ave. South to W. 27th St., easterly along W. 27th St. to Colfax Ave. South, southerly along Colfax Ave. South to W. 28th St., easterly along W. 28th St. to Stevens Ave. South, northerly along Stevens Ave. South to E. 26th St., easterly along E. 26th St. to 3rd Ave. South, northerly along 3rd Ave. South to E. Franklin Ave., westerly along E. Franklin Ave. to 1st Ave. South, northerly along 1st Ave. South to Marquette Ave., northeasterly along Marquette Ave. to 13th St. South, northwesterly along 13th St. South and 13th St.*

extended to Hennepin Ave., northeasterly along Hennepin Ave. to 6th St. North, northwesterly along 6th St. North to 3rd Ave. North, northeasterly along 3rd Ave. North to 5th St. North, northwesterly along 5th St. North to the Burlington Northern Railway tracks, northeasterly along the Burlington Northern Railway tracks to the Mississippi River, northwesterly along the Mississippi River to Broadway Ave. North, westerly along Broadway Ave. North to Girard Ave. North, southerly along Girard Ave. North to Golden Valley Ave. North, westerly along Golden Valley Ave. North to the eastern boundary of the city of Golden Valley, northerly, westerly, northerly and westerly along the eastern and northern boundaries of the city of Golden Valley to state highway 100, southerly along state highway 100 to its intersection with Turners Crossroad extended and southerly along Turners Crossroad to the point of origin.

The fifty-sixth senate district is divided into two representative districts as follows:

(a) Representative district 56 A consists of that portion of senate district 56 not included in representative district 56 B.

(b) Representative district 56 B consists of all of that portion of senate district 56 lying south and west of a line described as follows: commencing at the intersection of state highway 100 and the Chicago and Northwestern Railway tracks, easterly along the Chicago and Northwestern Railway tracks to Xerxes Ave. North, southerly along Xerxes Ave. North to Glenwood Ave. North, easterly along Glenwood Ave. North to the Burlington Northern Railway tracks, southeasterly along the Burlington Northern Railway tracks to Irving Ave. North extended, southerly along Irving Ave. North extended to U. S. highway 12, southwesterly along U. S. highway 12 to a line extended northwesterly from Waverly Place, southerly along that line to Kenwood Parkway, easterly along Kenwood Parkway to Lyndale Ave., southerly along Lyndale Ave. to E. Franklin Ave. and easterly along E. Franklin Ave. to 1st Ave. South.

#### Sec. 59. [2.602] [FIFTY-SEVENTH DISTRICT ]

The fifty-seventh senate district consists of that portion of Hennepin county consisting of that portion of the city of Minneapolis lying within a line described as follows: commencing at the intersection of Hennepin Ave. East and the eastern boundary of the city of Minneapolis, southerly along the boundary of the city of Minneapolis to the main channel of the Mississippi River, northwesterly along the Mississippi River to E. 24th St. extended, westerly along E. 24th St. extended and E. 24th St. to 15th Ave. South, southerly along 15th Ave. South to E. 27th St., westerly along E. 27th St. to Chicago Ave. South, northerly along Chicago Ave. South to E. 24th St., westerly along E. 24th St. to Park Ave. South, northerly along Park Ave. South to E. 22nd St., westerly along E. 22nd St. to 3rd Ave. South, northerly along 3rd Ave. South to Franklin Ave. East, westerly along Franklin Ave. East to 1st Ave. South, northerly along 1st Ave. South to Marquette Ave. South, northeasterly along Marquette Ave. South to 13th St. South, northwesterly along 13th St. South to Hennepin Ave., northeasterly along Hennepin Ave. to 6th St. South, northwesterly along 6th St. South to 3rd Ave. North, northeasterly along 3rd Ave. North to 5th St. North, northwesterly along 5th St. North to the Burlington Northern Railway tracks, northeasterly along the Burlington Northern Rail-

way tracks to the main channel of the Mississippi River, northwesterly and northerly along the main channel of the Mississippi River to Broadway St. East, easterly along Broadway St. East to Central Ave. Northeast, northerly along Central Ave. Northeast to 18th Ave. Northeast, easterly along 18th Ave. Northeast to New Brighton Blvd., northeasterly along New Brighton Blvd. to the corporate limits of the city of Minneapolis, easterly, southerly, easterly and southerly along the corporate limits of the city of Minneapolis to the point of origin.

*The fifty-seventh senate district is divided into two representative districts as follows:*

(a) Representative district 57 A consists of that portion of senate district 57 lying north and east of a line described as follows: commencing at the intersection of Broadway St. East and the main channel of the Mississippi River, southeasterly along the main channel of the Mississippi River to the Burlington Northern railway tracks, southwesterly along the Burlington Northern railway tracks to Washington Ave., southeasterly along Washington Ave. to 3rd Ave. South, southwesterly along 3rd Ave. South to 5th St. South, southeasterly along 5th St. South to interstate highway 35W, northeasterly along interstate highway 35W to the main channel of the Mississippi River, and southeasterly along the main channel of the Mississippi River to the eastern boundary of the city of Minneapolis.

(b) Representative district 57 B consists of that portion of senate district 57 not included in representative district 57 A.

#### Sec. 60. [2.612] [FIFTY-EIGHTH DISTRICT.]

*The fifty-eighth senate district consists of that portion of Hennepin county consisting of that portion of the city of Minneapolis lying within a line described as follows: commencing at the intersection of the western boundary of the city of Minneapolis and W. Lake St., southerly, easterly and southerly along the western boundary of the city of Minneapolis to the southern boundary of the city of Minneapolis, easterly along the southern boundary of the city of Minneapolis to Lyndale Ave. South, northerly along Lyndale Ave. South to W. 45th St., easterly along W. 45th St. to Pillsbury Ave. South, northerly along Pillsbury Ave. South to W. 42nd St., easterly along W. 42nd St. to Nicollet Ave. South, northerly along Nicollet Ave. South to W. 28th St., westerly along W. 28th St. to Colfax Ave. South, northerly along Colfax Ave. South to W. 27th St., westerly along W. 27th St. to Irving Ave. South, southerly along Irving Ave. South to The Mall, westerly along The Mall to E. Lake Calhoun Parkway, southerly along E. Lake Calhoun Parkway to W. Lake St. and westerly along W. Lake St. to the point of origin.*

*The fifty-eighth senate district is divided into two representative districts as follows:*

(a) Representative district 58 A consists of that portion of senate district 58 not included in representative district 58 B.

(b) Representative district 58 B consists of that portion of senate district 58 lying north of a line described as follows: commencing at the intersection of W. 42nd St. and the western boundary of the city of Minneapolis, easterly along W. 42nd St. to Sheridan Ave. South, northerly along Sheridan Ave. South to W. 42nd St., easterly along W. 42nd St. to Lake Harriet Parkway, easterly and



*northerly along Lake Harriet Parkway to Kings Highway, northerly along Kings Highway to W. 40th St., easterly along W. 40th St. to Lyndale Ave. South, southerly along Lyndale Ave. South to W. 43rd St. and easterly along W. 43rd St. to Pillsbury Ave. South.*

Sec. 61. [2.622] [FIFTY-NINTH DISTRICT.]

*The fifty-ninth senate district consists of that portion of Hennepin county consisting of that portion of the city of Minneapolis within a line described as follows: commencing at the intersection of Nicollet Ave. South and E. 28th St., southerly along Nicollet Ave. South to W. 42nd St., westerly along W. 42nd St. to Pillsbury Ave. South, southerly along Pillsbury Ave. South to W. 45th St., westerly along W. 45th St. to Lyndale Ave. South, southerly along Lyndale Ave. South to the southern boundary of the city of Minneapolis, easterly along the southern boundary of the city of Minneapolis to Cedar Ave. South, northerly along Cedar Ave. South to E. 38th St., westerly along E. 38th St. to Bloomington Ave. South, northerly along Bloomington Ave. South to E. 29th St., westerly along E. 29th St. to 15th Ave. South, northerly along 15th Ave. South to E. 27th St., westerly along E. 27th St. to Chicago Ave. South, northerly along Chicago Ave. South to E. 24th St., westerly along E. 24th St. to Park Ave. South, northerly along Park Ave. South to E. 22nd St., westerly along E. 22nd St. to 3rd Ave. South, southerly along 3rd Ave. South to E. 26th St., westerly along E. 26th St. to Stevens Ave. South, southerly along Stevens Ave. South to E. 28th St. and westerly along E. 28th St. to the point of origin.*

*The fifty-ninth senate district is divided into two representative districts as follows:*

*(a) Representative district 59 A consists of that portion of senate district 59 not located in representative district 59 B.*

*(b) Representative district 59 B consists of that portion of senate district 59 lying south of a line described as follows: commencing at the intersection of Nicollet Ave. South and E. 42nd St., easterly along E. 42nd St. to Portland Ave. South, southerly along Portland Ave. South to E. 43rd St., easterly along E. 43rd St. to Chicago Ave. South, southerly along Chicago Ave. South to E. 44th St., easterly along E. 44th St. to Cedar Ave. South.*

Sec. 62. [2.632] [SIXTIETH DISTRICT.]

*The sixtieth senate district consists of that portion of Hennepin county consisting of that portion of the city of Minneapolis lying within a line described as follows: commencing at the intersection of Cedar Ave. South and E. 38th St., southerly along Cedar Ave. South to the southern boundary of the city of Minneapolis, easterly, northerly and easterly along the southern boundary of the city of Minneapolis to the Mississippi River, northerly along the Mississippi River to E. 24th St. extended, westerly along E. 24th St. to 15th Ave. South, southerly along 15th Ave. South to E. 29th St., easterly along E. 29th St. to Bloomington Ave. South, southerly along Bloomington Ave. South to E. 38th St., easterly along E. 38th St. to the point of origin.*

*The sixtieth senate district is divided into two representative districts as follows:*

*(a) Representative district 60 A consists of that portion of senate district 60 not included in representative district 60 B.*

(b) Representative district 60 B consists of that portion of senate district 60 lying south of a line described as follows: commencing at the intersection of E. 38th St. and Cedar Ave. South, easterly along E. 38th St. to 23rd Ave. South, southerly along 23rd Ave. South to E. 39th St., easterly along E. 39th St. to 42nd Ave. South, northerly along 42nd Ave. South to E. 38th St., easterly along E. 38th St. extended to the Mississippi River.

Sec. 63. [2.642] [SIXTY-FIRST DISTRICT.]

The sixty-first senate district consists of that portion of Ramsey county consisting of that portion of the cities of North Oaks, Arden Hills, Roseville, New Brighton and Shoreview included within an area described as follows: commencing at the intersection of Turtle Lake Road and Lexington Ave., southerly along Lexington Ave to state highway 96, westerly along state highway 96 to interstate highway 35W, southerly along interstate highway 35W to 10th St. Northwest, westerly along 10th St. Northwest to 1st Ave. Northwest, southerly along 1st Ave. Northwest to 8th St. Northwest, westerly along 8th St. Northwest to 5th Ave. Northwest, northerly along 5th Ave. Northwest to 10th St. Northwest, westerly along 10th St. Northwest to Long Lake Road, northwesterly along Long Lake Road to 14th St. Northwest, westerly along 14th St. Northwest and 14th St. Northwest extended to the western boundary of Ramsey county, southerly along the western boundary of Ramsey county to the northern boundary of the city of St. Anthony, easterly, southerly and easterly along the northern boundary of the city of St. Anthony to its eastern boundary, southerly along the eastern boundary of the city of St. Anthony and the westerly boundary of the city of Roseville to Ryan Ave., easterly along Ryan Ave. to Carl St., southerly along Carl St. to Roselawn Ave., easterly along Roselawn Ave. to state highway 51, northerly along state highway 51 to state highway 36, easterly along state highway 36 to Lexington Ave., northerly along Lexington Ave. to West County Road B2, easterly along West County Road B2 to Dale St., northerly along Dale St. to West County Road C, easterly along West County Road C to Rice St., northerly along Rice St. to state highway 96, easterly, northeasterly, northerly, westerly and southwesterly along the boundary of the city of North Oaks to Turtle Lake Road and westerly along Turtle Lake Road to the point of origin.

The sixty-first senate district is divided into two representative districts as follows:

(a) Representative district 61 A consists of that portion of senate district 61 not included in representative district 61 B.

(b) Representative district 61 B consists of that portion of senate district 61 lying east of a line described as follows: commencing at the intersection of state highway 96 and Lexington Ave., southerly along Lexington Ave. to the northern boundary of the city of Roseville, westerly along the northern boundary of the city of Roseville to Hamline Ave., southerly along Hamline Ave. to Lydia St., westerly along Lydia St. to state highway 51 and southerly along state highway 51 to state highway 36.

Sec. 64. [2.652] [SIXTY-SECOND DISTRICT.]

The sixty-second senate district consists of that portion of Ramsey county consisting of the cities of Lauderdale and Falcon Heights and those portions of the cities of Roseville and St. Paul lying within a line described as follows:

commencing at the intersection of Snelling Ave. and the southern boundary of the city of Roseville, northerly along Snelling Ave. to state highway 36, easterly along state highway 36 to Lexington Ave., southerly along Lexington Ave. to Summit Ave., westerly along Summit Ave. to Cambridge St., southwesterly along Cambridge St. to Amherst St., southwesterly along Amherst St. to St. Clair Ave., westerly along St. Clair Ave. to Prior Ave., northerly along Prior Ave. to Princeton St., westerly along Princeton St. to Cretin Ave., northerly along Cretin Ave. to Goodrich Ave., westerly along Goodrich Ave. to Mississippi River Blvd., southerly along Mississippi River Blvd. to St. Clair Ave., westerly along St. Clair Ave. to the western boundary of Ramsey county, northerly along the western boundary of Ramsey county to the southern boundary of the city of Roseville and easterly along the southern boundary of the city of Roseville to the point of origin.

The sixty-second senate district is divided into two representative districts as follows:

(a) Representative district 62 A consists of that portion of senate district 62 lying west of a line described as follows: commencing at the intersection of Roselawn Ave. and Snelling Ave., southerly along Snelling Ave. to Garden Ave., westerly along Garden Ave. to Fry St., southerly along Fry St. to Larpenteur Ave., easterly along Larpenteur Ave. to Snelling Ave., southerly along Snelling Ave. to Pierce Butler Route, westerly along Pierce Butler Route to Aldine St., southerly along Aldine St. to University Ave., westerly along University Ave. to Wheeler St., southerly along Wheeler St. to the Chicago, Milwaukee, St. Paul and Pacific Railway tracks, southeasterly along the Chicago, Milwaukee, St. Paul and Pacific Railway tracks to Snelling Ave. and southerly along Snelling Ave. to Summit Ave.

(b) Representative district 62 B consists of that portion of senate district 62 not included in representative district 62 A.

#### Sec. 65. [2.662] [SIXTY-THIRD DISTRICT.]

The sixty-third senate district consists of that portion of Dakota county consisting of the cities of Eagan, Mendota, Mendota Heights, Lilydale, that portion of the city of Apple Valley not included in senate district 53, that portion of the city of West St. Paul lying west of Charlton Ave., and that portion of Ramsey county consisting of that portion of the city of St. Paul lying south and west of a line described as follows: commencing at the intersection of the western boundary of the city of St. Paul and St. Clair Ave. extended, easterly along St. Clair Ave. extended to Mississippi River Blvd., northerly along Mississippi River Blvd. to Goodrich Ave., easterly along Goodrich Ave. to Cretin Ave., southerly along Cretin Ave. to Princeton Ave., easterly along Princeton Ave. to Prior Ave., southerly along Prior Ave. to James Ave., easterly along James Ave. to Fairview Ave., southerly along Fairview Ave. to Scheffer Ave., easterly along Scheffer Ave. to Snelling Ave., southerly along Snelling Ave. to Montreal Ave., easterly along Montreal Ave. to W. 7th St., southwesterly along W. 7th St. to Homer St. and southeasterly along Homer St. extended to the southern boundary of the city of St. Paul.

The sixty-third senate district is divided into two representative districts as follows:

(a) Representative district 63 A consists of that portion of senate district 63

*not included in representative district 63 B.*

*(b) Representative district 63 B consists of that portion of senate district 63 consisting of the cities of Eagan and Mendota, all of that portion of the city of Apple Valley included in senate district 63, and that portion of the city of Mendota Heights lying south and west of a line described as follows: commencing at the intersection of Victoria Road and the western portion of the northern boundary of the city of Mendota Heights, southerly along Victoria Road and Victoria Road extended to interstate highway 35E, southwesterly along interstate highway 35E to state highway 110 and easterly along state highway 110 to the eastern boundary of the city of Mendota Heights.*

**Sec. 66. [2.672] [SIXTY-FOURTH DISTRICT.]**

*The sixty-fourth senate district consists of that portion of Ramsey county consisting of portions of the cities of Roseville, Maplewood and St. Paul lying within the area described as follows: commencing at the intersection of Rice St. and W. County Road C, westerly along W. County Road C to Dale St., southerly along Dale St. to W. County Road B2, westerly along W. County Road B2 to N. Lexington Ave., southerly along N. Lexington Ave. to University Ave., easterly along University Ave. to Rice St., northerly along Rice St. to Como Ave., easterly along Como Ave. to Jackson St., northerly along Jackson St. to Pennsylvania Ave., easterly along Pennsylvania Ave. to interstate highway 35E, northerly along interstate highway 35E to Case Ave., easterly along Case Ave. to Edgerton St., northerly along Edgerton St. to Larpenteur Ave., easterly along Larpenteur Ave. to U. S. highway 61, northerly along U. S. highway 61 to Roselawn Ave., westerly along Roselawn Ave. to McMenemy St., northerly along McMenemy St. to W. County Road B, westerly along W. County Road B to Rice St. and northerly along Rice St. to the point of origin.*

*The sixty-fourth senate district is divided into two representative districts as follows:*

*(a) Representative district 64 A consists of that portion of senate district 64 not included in representative district 64 B.*

*(b) Representative district 64 B consists of that portion of senate district 64 lying south of a line described as follows: commencing at the intersection of Lexington Ave. and the northern set of Burlington Northern Railway tracks, easterly along the northern set of Burlington Northern Railway tracks to Chatsworth St., northerly along Chatsworth St. to Como Ave., easterly and southeasterly along Como Ave. to Dale St., northerly along Dale St. to W. Lawson Ave., easterly along W. Lawson Ave. to Western Ave., northerly along Western Ave. to W. Geranium Ave., easterly along W. Geranium Ave. to Rice St., northerly along Rice St. to Arlington Ave., easterly along Arlington Ave. to interstate highway 35E, northerly along interstate highway 35E to Larpenteur Ave. and easterly along Larpenteur Ave. to Edgerton St.*

**Sec. 67. [2.682] [SIXTY-FIFTH DISTRICT.]**

*The sixty-fifth senate district consists of that portion of Ramsey county consisting of that portion of the city of St. Paul located within an area described as follows: commencing at the intersection of Lexington Pkwy. and University Ave., easterly along University Ave. to Rice St., northerly along Rice St. to Como Ave., easterly along Como Ave. to Jackson St., northerly along Jackson St. to Pennsylvania Ave., easterly along Pennsylvania Ave. to*

interstate highway 35E, northerly along interstate highway 35E to Case Ave., easterly along Case Ave. to Edgerton St., southerly along Edgerton St. to Minnehaha Ave., easterly along Minnehaha Ave. to the Burlington Northern Railway tracks, southerly along the Burlington Northern Railway tracks to E. 7th St., easterly along E. 7th St. to Mounds Blvd., southeasterly along Mounds Blvd. to E. 6th St., northeasterly along E. 6th St. to Maple Ave., southeasterly along Maple Ave. to E. 3rd St., southwestery along E. 3rd St. to Bates Ave., southeasterly along Bates Ave. to interstate highway 94, easterly along interstate highway 94 to Mound St., southeasterly along Mound St. to Clermont St., southwestery along Clermont St. extended to the main channel of the Mississippi River, westerly along the main channel of the Mississippi River to Homer St. extended, northwestery along Homer St. extended to W. 7th St., northeasterly along W. 7th St. to Montreal Ave., westerly along Montreal Ave. to Snelling Ave., northerly along Snelling Ave. to Scheffer Ave., westerly along Scheffer Ave. to Fairview Ave., northerly along Fairview Ave. to James Ave., westerly along James Ave. to Prior Ave., northerly along Prior Ave. to St. Clair Ave., easterly along St. Clair Ave. to Amherst St., northeasterly along Amherst St. to Cambridge St., northeasterly along Cambridge St. to Summit Ave., easterly along Summit Ave. to Lexington Pkwy. and northerly along Lexington Pkwy. to the point of origin.

The sixty-fifth senate district is divided into two representative districts as follows:

(a) Representative district 65 A consists of that portion of senate district 65 located north and west of a line described as follows: commencing at the intersection of James Ave. and Fairview Ave., easterly along James Ave. to Snelling Ave., northerly along Snelling Ave. to Palace Ave., easterly along Palace Ave. to Pascal St., southerly along Pascal St. to James Ave., easterly along James Ave. to S. Hamline Ave., northerly along S. Hamline Ave. to St. Clair Ave., easterly along St. Clair Ave. to interstate highway 35E, northeasterly along interstate highway 35E to St. Albans St. extended, northwestery along St. Albans St. to Fairmount Ave., easterly along Fairmount Ave. to Dale St., northerly along Dale St. to Summit Ave., easterly along Summit Ave. to John Ireland Blvd., northeasterly along John Ireland Blvd. to Rice St. and northerly along Rice St. to University Ave.

(b) Representative district 65 B consists of that portion of senate district 65 not included in representative district 65 A.

#### Sec. 68. [2.692] [SIXTY-SIXTH DISTRICT.]

The sixty-sixth senate district consists of those portions of Ramsey and Washington counties consisting of the portions of the cities of St. Paul, Maplewood, Oakdale and Landfall lying within the area described as follows: commencing at the intersection of Larpenteur Ave. and Edgerton St., southerly along Edgerton St. to Minnehaha Ave., easterly along Minnehaha Ave. to the Burlington Northern Railway tracks, southwestery along the Burlington Northern Railway tracks to E. 7th St.; northeasterly along E. 7th St. to Mounds Blvd., southeasterly along Mounds Blvd. to E. 6th St., northeasterly along E. 6th St. to Maple St., southeasterly along Maple St. to E. 3rd St., northeasterly along E. 3rd St. to Arcade St., northerly along Arcade St. to Fremont Ave., easterly along Fremont Ave. to Earl St., southerly along Earl St. to E. 3rd St., easterly along E. 3rd St. to Kennard St., northerly along

*Kennard St. to E. Minnehaha Ave., easterly along E. Minnehaha Ave. to McKnight Rd., southerly along McKnight Rd. to interstate highway 94, easterly along interstate highway 94 to interstate highway 694, northerly along interstate highway 694 to E. Minnehaha Ave., easterly along E. Minnehaha Ave. to Ideal Ave., northerly along Ideal Ave. to the Chicago and Northwestern Railway tracks, southwesterly along the Chicago and Northwestern Railway tracks to Geneva Ave., northerly along Geneva Ave. to Larpenteur Ave. and westerly along Larpenteur Ave. to the point of origin.*

*The sixty-sixth senate district is divided into two representative districts as follows:*

*(a) Representative district 66 A consists of that portion of senate district 66 not included in representative district 66 B.*

*(b) Representative district 66 B consists of that portion of senate district 66 east of a line described as follows: commencing at the intersection of Larpenteur Ave. and Prosperity Road, southerly along Prosperity Road to Hazelwood St., southerly along Hazelwood St. to E. Arlington Ave., easterly along E. Arlington Ave. to Kennard St., southerly along Kennard St. to E. Jessamine Ave., easterly along E. Jessamine Ave. to Kingsford St., southerly along Kingsford St. to the Chicago and Northwestern Railway tracks, southwesterly along the Chicago and Northwestern Railway tracks to Johnson Pkwy., southerly along Johnson Pkwy. to E. Minnehaha Ave., westerly along E. Minnehaha Ave. to Atlantic St., southerly along Atlantic St. to E. Margaret St., easterly along E. Margaret St. to Johnson Pkwy. and southerly along Johnson Pkwy. to E. 3rd St.*

Sec. 69. [2.702] [SIXTY-SEVENTH DISTRICT.]

*The sixty-seventh senate district consists of those portions of Ramsey, Dakota and Washington counties consisting of that portion of the city of West St. Paul not included in senate district 63 or 52, that portion of the city of St. Paul not included in senate district 62, 63, 64, 65 or 66, and that portion of the city of Woodbury east and north of a line described as follows: commencing at the intersection of the western boundary of the city of Woodbury and the northern boundary of the city of Newport, easterly and southerly along the northern boundary of the city of Newport to Bailey Road, easterly along Bailey Road to Tower Drive, northerly along Tower Drive to Valley Creek Road, easterly along Valley Creek Road to Radio Road and northerly along Radio Road to the northern boundary of the city of Woodbury.*

*The sixty-seventh senate district is divided into two representative districts as follows:*

*(a) Representative district 67 A consists of that portion of senate district 67 not included in representative district 67 B.*

*(b) Representative district 67 B consists of that portion of senate district 67 lying east of a line described as follows: commencing at the intersection of E. 3rd St. and English St., southerly along English St. to Wilson Ave., easterly along Wilson Ave. to Etna St., southerly along Etna Ave. to U. S. highway 61 and southeasterly along U. S. highway 61 to the southern boundary of Ramsey county.*

Sec. 70. Minnesota Statutes 1980, Section 2.711, is amended to read:

## 2.711 [OMITTED OR DUPLICATED TERRITORY.]

Subdivision 1. [OMITTED TERRITORY] If there is any territory within the boundaries of this state which is not named in this act sections 3 to 69 but (1) which lies within the boundaries of a representative district or (2) which lies between the boundaries of two or more representative districts, for the purposes of this act the territory referred to in clause (1) is a part of the representative district within which it lies, but the territory referred to in clause (2) is a part of the contiguous representative district having the smallest population.

Subd. 2. [DUPLICATED TERRITORY.] If there is any territory within the boundaries of this state which lies within the boundaries of two or more representative districts, such that territory is for the purposes of this act a part of the district which has the smallest population.

Subd. 3. [SENATE DISTRICT.] Any territory which becomes a part of a representative district pursuant to subdivisions 1 and 2 is a part of the legislative senate district of which such the representative district is a part.

## Sec. 71. [REPEALER.]

*Minnesota Statutes 1980, Sections 2.041; 2.051; 2.061; 2.071; 2.081; 2.091; 2.101; 2.111; 2.121; 2.131; 2.141; 2.151; 2.161; 2.171; 2.181; 2.191; 2.201; 2.211; 2.221; 2.231; 2.241; 2.251; 2.261; 2.271; 2.281; 2.291; 2.301; 2.311; 2.321; 2.331; 2.341; 2.351; 2.361; 2.371; 2.381; 2.391; 2.401; 2.411; 2.421; 2.431; 2.441; 2.451; 2.461; 2.471; 2.481; 2.491; 2.501; 2.511; 2.521; 2.531; 2.541; 2.551; 2.561; 2.571; 2.581; 2.591; 2.601; 2.611; 2.621; 2.631; 2.641; 2.651; 2.661; 2.671; 2.681; 2.691; 2.701; and 2.712 are repealed.*

## Sec. 72. [EFFECTIVE DATE.]

*This act is effective for elections held in 1982 and thereafter to elect senators and representatives to serve in 1983 and thereafter."*

Delete the title and insert:

"A bill for an act relating to legislative districts; reapportioning legislative districts; amending Minnesota Statutes 1980, Sections 2.021; 2.031; and 2.711; proposing new law coded in Minnesota Statutes, Chapter 2; repealing Minnesota Statutes 1980, Sections 2.041 to 2.701 and 2.712."

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. 1478 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.
1478	1387				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1478 be amended as follows:

Page 1, after line 7, insert:

"Section 1. [2.732] [LEGISLATIVE FINDINGS.]

*The legislature finds that the state of Minnesota is divided into two main communities of interest: the seven-county metropolitan area consisting of the counties of Hennepin, Ramsey, Dakota, Washington, Anoka, Carver and Scott, and the outstate area, consisting of the eighty other counties. The legislature further finds that the population of the state is generally equally divided between these two main communities of interest, and that to ensure that the residents of the state of Minnesota receive the most effective representation in the Congress of the United States of America, that the congressional district boundaries should reflect these two main communities of interest; that the current congressional district boundaries result in a fragmentation of the representation of these two communities of interest in that seven of the eight current congressional districts encompass all or part of both of the two main communities of interest; that to alleviate this fragmentation of representation the legislature finds that the eight congressional districts should be allocated to each of the two main communities of interest on an equal basis with four congressional districts encompassing the seven-county metropolitan area and the counties of Chisago and Isanti to ensure population equality, and four congressional districts allocated to the remaining seventy-eight-county outstate area."*

Page 1, delete lines 12 to 15 and insert "counties of *Blue Earth, Dodge, Faribault, Fillmore, Freeborn, Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha, Washington, Waseca, and Winona, and that portion of the county of Dakota Goodhue not included in the second congressional district, that portion of the county of LeSueur consisting of the cities of Heidelberg, Kilkenny, Montgomery, New Prague and Waterville, and the townships of Derrynane, Kilkenny, Lanesburgh, Montgomery and Waterville, and that portion of the county of Nicollet consisting of the cities of Mankato and North Mankato.*"

Page 1, delete lines 20 to 25

Page 2, delete lines 1 to 4 and insert "counties of *Blue Earth, Brown, Carver, Faribault, Freeborn, LeSueur, Martin, McLeod, Mower, Nicollet, and Scott, Sibley, Waseca, and Watonwan, and that portion of the county of Dakota consisting of the towns of Eagan and Eureka; and the cities of Apple Valley, Burnsville, Farmington, and Lakeville not included in the fourth congressional district, that portion of the county of Goodhue consisting of the city of Cannon Falls and the townships of Cannon Falls and Stanton, and that portion of the county of Hennepin consisting of the cities of Deephaven, Excelsior, Greenwood, Long Lake, Minnetrista, Mound, Orono, St. Bonifacius, Shorewood, Spring Park, Tonka Bay, and Woodland, and the cities of Minnetonka Beach and Wayzata not included in the third or fifth congressional districts.*"

Page 2, lines 8 and 9, strike "that portion of the county of Hennepin"

Page 3, lines 7 and 8, delete "not included in the second, fifth or sixth congressional districts" and insert "the counties of *Chisago and Isanti, that portion of the county of Anoka not included in the fifth congressional district, that portion of the county of Hennepin consisting of the cities of Brooklyn Center, Brooklyn Park, Champlin, Corcoran, Crystal, Dayton, Greenfield, Hanover, Independence, Loretto, Maple Grove, Maple Plain, Medina, New Hope, Osseo, Rockford and Rogers, and the township of Hassan, that portion*



*of the county of Ramsey consisting of the city of Spring Lake Park, and that portion of the county of Washington not included in the fourth congressional district"*

Page 3, delete lines 12 to 17 and insert:

*"The fourth congressional district shall consist of that portion of the county of Ramsey not included in the ~~fifth~~ third congressional district, that portion of the county of Dakota consisting of the cities of Lilydale, Mendota, Mendota Heights, South Saint Paul and West Saint Paul, and that portion of the county of Washington consisting of the city of Newport."*

Page 3, delete lines 22 to 29 and insert *"portion of the county of Hennepin consisting of the ~~city of~~ cities of Minneapolis, Richfield, Robbinsdale and St. Anthony, any portion of the area included in the Minneapolis-St. Paul International Airport not a part of an incorporated municipality, the Fort Snelling Military Reservation, and that portion of the city of Minneapolis not included in the ~~third congressional district~~, Bloomington described as follows: Commencing at the intersection of Normandale Boulevard and the northern city boundary, thence southerly along Normandale Boulevard to 98th Street, thence easterly along 98th Street to France Avenue, thence southerly along France Avenue to Overlook Drive, thence westerly along Overlook Drive to Irwin Avenue, thence southerly along Irwin Avenue to the main channel of the Minnesota River, thence easterly along the main channel of the Minnesota River to the northern city boundary, thence westerly along the northern city boundary to the point of beginning; and that portion of the county of Anoka consisting of the cities of Hilltop, Fridley and Columbia Heights, and that portion of the county of Ramsey consisting of the city of St. Anthony."*

Page 3, delete lines 34 to 36.

Page 4, delete lines 1 to 5 and insert *"counties of ~~Benton, Big Stone, Brown, Chippewa, Cottonwood, Douglas, Jackson, Kandiyohi, Lac qui Parle, Lincoln, Lyon, Martin, Mcleod, Meeker, Mille Lacs, Murray, Nobles, Pipestone, Pope, Redwood, Renville, Rock, Sherburne, Stearns, Wright, Sibley, Swift, Traverse, Watonwan, and Yellow Medicine, and that portion of the county of Hennepin LeSueur not included in the ~~second, third, or fifth~~ first congressional ~~districts~~ district, that portion of the county of Nicollet not included in the first congressional district, and that portion of the county of Stearns not included in the eighth congressional district."~~*

Page 4, delete lines 10 to 14 and insert *"counties of ~~Aitkin, Beltrami, Becker, Cass, Clay, Clearwater, Crow Wing, Douglas, Grant, Hubbard, Itasca, Kittson, Koochiching, Lake of the Woods, Mahnomen, Marshall, Morrison, Norman, Otter Tail, Pennington, Polk, Pope, Red Lake, Roseau, Stevens, Swift, Todd, Traverse, Wadena, and Wilkin."~~*

Page 4, delete lines 19 to 22 and insert *"counties of Aitkin, Benton, Carlton, ~~Chicago, Cook, Isanti, Itasea, Kanabec, Koochiching, Lake, Mille Lacs, Pine, and Sherburne, St. Louis and Wright, and that part of the county of Anoka which is not included in the fifth congressional district Stearns consisting of the cities of Pleasant Lake, Sartell, St. Cloud, St. Joseph, St. Stephens and Waite Park, and the townships of Brockway, Fairhaven, Le Sauk, Lynden, St. Augusta, St. Cloud, St. Joseph and St. Wendel."~~*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "districts;" insert "making legislative findings;"

Page 1, line 5, after "2.811" insert "proposing new law coded in Minnesota Statutes, Chapter 2"

And when so amended H.F. No. 1478 will be identical to S.F. No. 1387, and further recommends that H.F. No. 1478 be given its second reading and substituted for S.F. No. 1387, and that the Senate File be indefinitely postponed.

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

### SECOND READING OF SENATE BILLS

S.F. No. 1552 was read the second time.

### SECOND READING OF HOUSE BILLS

H.F. No. 1478 was read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Schmitz moved that H.F. No. 1693 be taken from the table. The motion prevailed.

### SUSPENSION OF RULES

Mr. Schmitz 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. 1693 and that the rules of the Senate be so far suspended as to give H.F. No. 1693 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1693: A resolution memorializing the governments of the United States and the Socialist Republic of Vietnam to take all possible actions to determine the fate of persons missing in action in Southeast Asia.

H.F. No. 1693 was read the second time.

H.F. No. 1693 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the resolution passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Sikorski moved that the name of Mr. Solon be added as a co-author to S.F. No. 579. The motion prevailed.

Mr. Humphrey moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 871. The motion prevailed.

Mr. Sikorski moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1525. The motion prevailed.

Mr. Dicklich moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1531. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Solon be added as a co-author to S.F. No. 1547. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Solon be added as a co-author to S.F. No. 1548. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Solon be added as a co-author to S.F. No. 1549. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Solon be added as a co-author to S.F. No. 1550. The motion prevailed.

Mr. Sikorski moved that the name of Mr. Stern be added as a co-author to S.F. No. 1562. The motion prevailed.

Mr. Sikorski moved that the name of Mr. Nelson be added as a co-author to S.F. No. 1563. The motion prevailed.

Mr. Tennessen moved that the name of Mr. Knutson be added as a co-author to S.F. No. 1575. The motion prevailed.

Ms. Berglin moved that the name of Mr. Frank be added as a co-author to S.F. No. 1578. 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. Wegener, Pehler, Hanson, Bernhagen and Moe, R.D. introduced—

S.F. No. 1588: A bill for an act relating to state and local government organization and relations; creating an advisory council on local government; prescribing its duties; proposing new law coded as Minnesota Statutes, Chapter 15B.

Referred to the Committee on Local Government and Urban Affairs.

Ms. Berglin introduced—

S.F. No. 1589: A bill for an act relating to crimes; clarifying the definition of physically helpless victims of criminal sexual conduct; amending Minnesota Statutes 1980, Section 609.341, Subdivision 9.

Referred to the Committee on Judiciary.

Mr. Peterson, C.C. introduced—

S.F. No. 1590: A bill for an act relating to retirement; prohibiting membership in a volunteer firefighters' relief association by certain persons; proposing new law coded in Minnesota Statutes, Chapter 424A.

Referred to the Committee on Public Employees and Pensions.

Mr. Peterson, C.C. introduced—

S.F. No. 1591: A bill for an act relating to retirement; volunteer firefighters relief associations; fire and police state aid programs; combining various reports for purposes of qualifying for fire state aid; modifying the presumptions used in determining qualification for fire or police state aid; clarifying the duration of disqualification from receipt of fire or police state aid in the event of noncompliance with financing guidelines; clarifying the procedure for crediting service by certain probationary volunteer firefighters; clarifying a limitation on the payment of service pensions to active volunteer firefighters; amending Minnesota Statutes 1980, Sections 69.021, Subdivision 4; 69.051, Subdivision 3; 69.771, Subdivision 3; and 424A.01, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 69.011, Subdivision 2; 69.051, Subdivision 1; 69.77, Subdivision 1; and 424A.02, Subdivision 1.

Referred to the Committee on Public Employees and Pensions.

Mr. Rued introduced—

S.F. No. 1592: A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Brainerd.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Rued introduced—

S.F. No. 1593: A bill for an act relating to state lands; providing for the conveyance of certain tax forfeited lands.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Peterson, C.C. introduced—

S.F. No. 1594: A bill for an act relating to commerce; providing for the licensing, bonding, and insuring of certain builders; proposing new law coded in Minnesota Statutes, Chapter 326.

Referred to the Committee on Commerce.

Mr. Lessard introduced—

S.F. No. 1595: A bill for an act relating to the city of Big Falls; authorizing the establishment of detached banking facilities.

Referred to the Committee on Commerce.

Mr. Sikorski introduced—

S.F. No. 1596: A bill for an act relating to drivers licenses; requiring the suspension of licenses of certain uninsured persons; providing a penalty; ap-

propriating money; proposing new law coded in Minnesota Statutes, Chapter 171.

Referred to the Committee on Commerce.

Mr. Lessard introduced—

S.F. No. 1597: A bill for an act relating to courts; providing that a county court judge with judicial tenure of 25 years shall be considered learned in the law; amending Minnesota Statutes 1980, Sections 15A.083, Subdivision 1; and 487.03, Subdivision 1; repealing Minnesota Statutes 1980, Section 487.04.

Referred to the Committee on Judiciary.

Mr. Schmitz introduced—

S.F. No. 1598: A bill for an act relating to retirement; public employees retirement association; providing for an election of exclusion from retirement coverage for certain persons employed by the Prior Lake-Spring Lake watershed district.

Referred to the Committee on Public Employees and Pensions.

Messrs. Belanger, Ramstad and Lindgren introduced—

S.F. No. 1599: A bill for an act relating to crimes; requiring mandatory jail sentences and other dispositional alternatives for persons convicted of driving while under the influence of alcohol or a controlled substance; amending Minnesota Statutes 1980, Sections 169.121, by adding subdivisions; 169.123, Subdivision 2; repealing Minnesota Statutes 1980, Section 169.121, Subdivisions 3 and 4; Minnesota Statutes 1981 Supplement, Section 169.121, Subdivision 5.

Referred to the Committee on Judiciary.

Messrs. Benson, Belanger, Petty, Dicklich and Lindgren introduced—

S.F. No. 1600: A bill for an act relating to juveniles; providing for termination of jurisdiction over juveniles; providing for the apprehension of juvenile absconders and escapees; amending Minnesota Statutes 1980, Sections 242.19; 260.181, Subdivision 4; and Minnesota Statutes 1981 Supplement, Section 242.44.

Referred to the Committee on Judiciary.

Messrs. Schmitz, Bertram, Waldorf, Rued and Frederickson introduced—

S.F. No. 1601: A resolution memorializing the governments of the United States and the Socialist Republic of Vietnam to take all possible actions to determine the fate of persons missing in action in Southeast Asia.

Referred to the Committee on Veterans' Affairs.

Messrs. Setzepfandt, Bertram, Rued, Engler and Peterson, C.C. introduced—

S.F. No. 1602: A bill for an act relating to animals; eliminating certain licensing and registration requirements; repealing Minnesota Statutes 1980, Section 35.695.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Davies, Sieloff and Luther introduced—

S.F. No. 1603: A bill for an act relating to administrative procedure; providing procedures for the adoption of administrative rules and the determination of administrative disputes; providing for publication of administrative rules and disposition of administrative appeals; enacting the model administrative procedure act; proposing new law coded as chapter 15B; repealing Minnesota Statutes 1980, Sections 15.0411, as amended; 15.0412, as amended; 15.0416; 15.0417; 15.0418; 15.0419; 15.0421; 15.0422; 15.0424; 15.0425; 15.0426; 15.047; 15.0471; 15.048; 15.049; 15.05; 15.051; and 648.50, as amended; and Minnesota Statutes 1981 Supplement, Sections 15.041; 15.0413; 15.0415; and 15.052.

Referred to the Committee on General Legislation and Administrative Rules.

Messrs. Dahl and Hughes introduced—

S.F. No. 1604: A bill for an act relating to education; authorizing school districts to levy a special grandfather levy equal to the maximum grandfather levy of any district in region eleven; amending Minnesota Statutes 1980, Section 275.125, by adding a subdivision.

Referred to the Committee on Education.

Messrs. Lindgren, Benson, Solon and Merriam introduced—

S.F. No. 1605: A bill for an act relating to public welfare; requiring audits of nursing home cost reports; amending Minnesota Statutes 1980, Sections 256B.27, Subdivision 2a; and 256B.35, Subdivision 4.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Rued; Johnson; Peterson, C.C.; Bernhagen and Lessard introduced—

S.F. No. 1606: A bill for an act relating to taxation; income; establishing a credit for upgrading certain waste disposal systems located on shorelands; amending Minnesota Statutes 1980, Section 290.06, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Solon, Knoll, Nelson, Sikorski and Dicklich introduced—

S.F. No. 1607: A bill for an act relating to public welfare; changing liquid asset limits for medical assistance eligibility; amending Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, as amended by a law passed in the 1981 third special session styled as House File No. 2, Article I, Section 32.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Ramstad, Keefe, Lessard, Sieloff and Rued introduced—

S.F. No. 1608: A bill for an act relating to crimes; requiring incarceration as the presumptive sentence for a defendant convicted of a crime against persons; proposing new law coded in Minnesota Statutes, Chapter 244.

Referred to the Committee on Judiciary.

Mr. Knutson introduced—

S.F. No. 1609: A bill for an act relating to highway traffic regulations; regulating the height of vehicles; establishing a height limitation for certain buses; amending Minnesota Statutes 1980, Section 169.81, Subdivision 1.

Referred to the Committee on Transportation.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Wednesday, January 27, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTY-FIFTH DAY

St. Paul, Minnesota, Wednesday, January 27, 1982

The Senate met at 11:00 a.m. and was called to order by the President.

### CALL OF THE SENATE

Mr. Humphrey 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	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	Kamrath	Moe, R.D.	Rued	Vega
Dahl	Keefe	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoff	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

Messrs. Hughes and Knoll were excused from the Session of today.

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

Various reports were filed during the 1981 interim by Retirement and Relief Associations and are filed in the office of the Secretary of the Senate; also reports made by the Legislative Audit Commission on various state institutions and boards; PERA Data Processing Environment Report, 1979; PERA Investment Performance Action Program Report, 1981; Management Services Report to PERA, 1981; Department of Public Welfare Social Services Plan, Oct. 1, 1981 to Dec. 31, 1982; East Central Regional Development Commission,



Annual Report, 1981; State Planning Agency, Biennial Report, 1980-81; Department of Public Welfare, Final State Biennial Community Social Services Plan, 1981-83; Southwest Regional Development Commission, Annual Report, 1981; Southwest Regional Development Commission, Overall Work Program, 1982; Southwest Regional Development Commission, Self-evaluation Report, 1981; Northwest Regional Development Commission, Annual Report, 1980; Minnesota Humanities Commission, Annual Report, July 1, 1980 to June 30, 1981; Department of Transportation, Rail User Loan Guarantee Program, 1981; Department of Public Welfare, Plan for an Experimental Project dealing with Alternative Methods of Delivery of Services under the General Assistance Medical Care Program; Housing Finance Agency, Single Family Housing Program, 1982; Department of Agriculture, Weather Modification Report, 1981; Ethical Practices Board, Annual Report, 1981; Department of Health, Maternal and Child Nutrition Act of 1975, Supplemental Food Programs, 1981; Department of Labor and Industry, Workers' Compensation Advisory Council, 1981; Department of Education, Uniform Data Standards for Student and Personnel/Payroll Reporting, 1982; Department of Finance, Indirect Cost Billing Plan; Department of Finance, Actions of Legislative Advisory Commission; Department of Public Safety, Bureau of Criminal Apprehension.

### REPORTS OF COMMITTEES

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

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was re-referred

S.F. No. 744: A bill for an act relating to natural resources; changing and clarifying administrative provisions regarding watershed districts; increasing per diem for district managers; stating procedures for adopting rules by managers; requiring revision of certain plans every ten years; allowing cash bonds; permitting use of a map to show an assessment area; clarifying emergency procedures; amending Minnesota Statutes 1980, Sections 105.71, Subdivision 1a, and by adding subdivisions; 106.271; 106.471, Subdivision 1; 112.35, Subdivision 19, and by adding a subdivision; 112.36; 112.37, Subdivision 1; 112.39, Subdivision 1; 112.42, Subdivisions 5 and 6; 112.43, Subdivisions 1, 3, and by adding a subdivision; 112.46; 112.47; 112.48, Subdivisions 1, 2, and 4; 112.49, Subdivisions 1 and 7; 112.53, Subdivision 1; 112.58; 112.61, Subdivision 3; 112.62, Subdivision 1; 112.64; 112.65, Subdivision 2; and 112.801, Subdivision 8.

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

Pages 1, 2, and 3 delete sections 2 and 3

Page 4, line 10, after "government" insert "*provided that a soil and water conservation supervisor may be a manager*"

Page 4, after line 27, insert:

"Sec. 4. Minnesota Statutes 1980, Section 112.42, Subdivision 3, is amended to read:

Subd. 3. At least 30 days prior to the expiration of the term of office of the first managers named by the board, the county commissioners of each county affected shall meet and proceed to appoint successors to the first managers. Provided, however, if the nominating petition that initiated the district shall be originated from a majority of the cities within the district the county commissioners shall appoint the managers from a list of nominees submitted by the townships and municipalities within the district. Said list shall contain at least three nominees for each position to be filled: It shall be submitted to the affected county board at least 60 days prior to the expiration of the term of office. If such list is not submitted within 60 days prior to the expiration of the term of office the county commissioners shall select the managers from eligible individuals within the district. Said county commissioners shall at least 30 days before the expiration of the term of office of any managers meet and appoint the successors. If the district affects more than one county, distribution of the managers among the counties affected shall be as directed by the board. Ten years after the order of establishment, upon petition of the county board of commissioners of any county affected by the district, the board after public hearing thereon, may redistribute the managers among the counties if such redistribution is in accordance with the policy and purposes of this chapter. No petition for the redistribution of managers shall be filed with the board more often than once in ten years. The term of office of each manager, if the number does not exceed three, shall be one for a term of one year, one for a term of two years, and one for a term of three years. If the managers consist of five members, one shall be for a term of one year, two for a term of two years, and two for a term of three years. If the district affects more than one county, the board shall direct the distribution of the one, two and three year terms among the affected counties. Thereafter, the term of office for each manager shall be for a term of three years, and until his successor is appointed and qualified. *A manager may be removed at the pleasure of the appointing authority after the manager has served for at least one year.* If the district affects more than five counties, in order to provide for the orderly distribution of the managers, the board may determine and identify the manager areas within the territory of the district and select the appointing county board of commissioners for each manager's area. Any vacancy occurring in an office of a manager shall be filled by the appointing county board of commissioners. A record of all appointments made under this subdivision shall be filed with the county auditor of each county affected, with the secretary of the board of managers, and with the secretary of the water resources board. No person shall be appointed as a manager who is not a voting resident of the district and none shall be a public officer of the county, state, or federal government, *provided that a soil and water conservation supervisor may be a manager.*"

Page 5, line 6, delete "9" and insert "8"

Page 7, line 27, delete "9" and insert "8"

Page 8, line 5, delete everything after the period

Page 8, delete line 6 and insert "*For each county of the district the board shall publish a notice of any hearing or adopted rules in one or more legal newspapers published in the county and generally circulated in the district,*"

Page 9, line 19, before "hearing" insert "*public*"

Page 12, lines 4 and 5, delete the new language and insert "*affected by the*

*proposed project*"

Page 12, line 11, before "if" insert "*affected by the proposed project,*"

Page 17, delete section 18 and insert:

"Sec. 17. Minnesota Statutes 1981 Supplement, Section 112.53, Subdivision 1, is amended to read:

Subdivision 1. The managers shall by publication give notice of the pendency of the petition or resolution; the time and place for hearing thereon; and that the engineer's and appraisers' reports, including the plans, have been filed with the managers and are subject to inspection. The notice shall contain a brief description of the proposed ~~improvement~~ *project*, together with a description of the properties benefited or damaged, and the names of the owners ~~thereof~~ *of the properties*, the public and other corporations affected ~~thereby~~ *by the project* as shown by the engineer's and appraisers' reports. 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 require all parties interested in the proposed ~~improvement~~ *project* to appear before the managers at the time and place designated in the notice and ~~there~~ *to* present ~~their~~ *any* objections; if ~~any~~ *they may* have, and *to* show cause why an order should not be made by the managers granting the petition and, confirming the reports of the engineer and ~~the~~ appraisers, and ordering the establishment and construction of the ~~improvement~~ *project.*"

Page 23, line 16, before "after" insert "*on or*"

Page 24, line 17, before "after" insert "*on or*"

Page 24, line 17, delete "27" and insert "25"

Page 24, line 21, before "after" insert "*on or*"

Page 24, line 21, delete "27" and insert "25"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete everything after the semicolon

Page 1, line 8, delete "an assessment area;"

Page 1, line 11, delete ", and by"

Page 1, line 12, delete "adding a subdivision"

Page 1, line 12, delete "112.36;"

Page 1, line 13, after "Subdivisions" insert "3,"

Page 1, line 16, delete "112.53,"

Page 1, line 17, delete "Subdivision 1;"

Page 1, line 19, before the period, insert "; and Minnesota Statutes 1981 Supplement, Section 112.53, Subdivision 1"

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to

which was referred

S.F. No. 579: A bill for an act relating to public welfare; requiring licensure for adult day care facilities; amending Minnesota Statutes 1980, Sections 245.782, Subdivision 2; 245.791; 256B.02, Subdivisions 7 and 8.

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

Page 1, line 13, delete everything after "adult"

Page 1, line 14, delete the new language and insert "who is experiencing difficulty living independently and is unable to provide for his or her needs"

Page 1, after line 14, insert:

"Sec. 2. Minnesota Statutes 1980, Section 245.783, is amended by adding a subdivision to read:

*Subd. 1a. [ADULT DAY CARE CENTERS.] The commissioner shall establish licensure requirements for adult day care centers and shall license each center that applies for a license and meets those requirements."*

Page 2, line 8, after "persons" insert "or adults who are experiencing difficulty living independently and are unable to provide for their own needs"

Page 2, line 13, after "adults" insert "who are not experiencing difficulty living independently or who are able to provide for their own needs"

Pages 3 to 5, delete section 4 and insert:

"Sec. 5. Minnesota Statutes 1981 Supplement, Section 256B.02, Subdivision 8, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 31, 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.
- (3) Physicians' services.
- (4) Outpatient hospital or clinic services.
- (5) Home health care services.
- (6) Private duty nursing services.
- (7) Physical therapy and related services.
- (8) Dental services, 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 designate a formulary committee which shall advise the commissioner on the names of drugs for which payment shall 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 expen-

sive and equally effective as trademark drugs. The commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. 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. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the Administrative Procedure Act. The formulary shall not include: drugs for which there is no federal funding; over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; nutritional products; anorectics; and drugs for which medical value has not been established. Payment to drug vendors shall not be modified before the formulary is established. The commissioner may promulgate conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

The basis for determining the amount of payment shall be the actual acquisition cost of the drug plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the Administrative Procedure Act. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2.

(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) Adult day care services provided by licensed facilities, when ordered by a screening team upon completion of pre-admission screening under section 256B.091 for an adult who would be admitted to a nursing home if adult day care services were not available to that person. Payment for adult day care services is available only through the appropriation available for alternative care under section 256B.091, subdivision 8, and shall not be made if that appropriation has been exhausted.*

~~(16)~~ (17) Any other medical or remedial care licensed and recognized under state law unless otherwise prohibited by law.

#### Sec. 6. [RULES.]

*The commissioner may promulgate temporary and permanent rules to implement the provisions of sections 1 to 6. The commissioner of health shall assist the commissioner of public welfare in determining appropriate license requirements."*

Page 5, line 4, delete "5" and insert "7"

Page 5, line 5, delete "4" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "2," insert "245.783, by adding a subdivision;"

Page 1, line 5, delete "Subdivisions 7 and 8" and insert "Subdivision 7"

Page 1, line 5, before the period, insert "; and Minnesota Statutes 1981 Supplement, Section 256B.02, Subdivision 8, as amended"

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. No. 744 was read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Dicklich moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1531. The motion prevailed.

Mr. Frederick moved that the name of Mr. Penny be added as a co-author to S.F. No. 1559. The motion prevailed.

Mr. Wegener moved that S.F. No. 1523 be withdrawn from the Committee on Local Government and Urban Affairs and re-referred to the Committee on Public Employees and Pensions. 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.

Mr. Dieterich, Ms. Berglin, Messrs. Pehler, Bang and Peterson, R.W. introduced—

S.F. No. 1610: A bill for an act relating to taxation; providing for withholding of income tax refunds from child support debtors; amending Minnesota Statutes 1980, Section 290.50, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Peterson, R.W.; Dahl; Merriam and Tennesen introduced—

S.F. No. 1611: A bill for an act relating to law libraries; recodifying the laws governing county law libraries; amending Minnesota Statutes 1980, Sections 140.34; 140.35; 140.36; 140.37; 140.38; 140.39; 140.40; 140.44; 140.45; and 140.46; proposing new law coded in Minnesota Statutes 1980, Chapter 140; repealing Minnesota Statutes 1980, Sections 140.01 to 140.20; 140.212 to 140.33; 140.41 to 140.435; Minnesota Statutes 1981 Supplement, Section 140.21.

Referred to the Committee on Judiciary.

Mr. Pehler introduced—

S.F. No. 1612: A bill for an act relating to retirement; eliminating certain reductions in annuities for correctional employees; amending Minnesota Statutes 1980, Section 352.93, Subdivision 3.

Referred to the Committee on Public Employees and Pensions.

Mr. Moe, D.M. introduced—

S.F. No. 1613: A bill for an act relating to state departments and agencies; regulating the disposition of certain land within the capitol area; amending Minnesota Statutes 1981 Supplement, Section 15.50, Subdivision 6.

Referred to the Committee on Governmental Operations.

Messrs. Dicklich and Davies introduced—

S.F. No. 1614: A bill for an act relating to labor; including sheltered workers within definition of employee in the labor relations act; amending Minnesota Statutes 1980, Section 179.01, Subdivision 4.

Referred to the Committee on Employment.

Messrs. Davis, Langseth and Peterson, R.W. introduced—

S.F. No. 1615: A bill for an act relating to education; granting discretion to local school boards regarding the use of bequests, donations, or gifts to school districts; amending Minnesota Statutes 1980, Sections 123.40, Subdivision 3; and 465.03.

Referred to the Committee on Education.

Messrs. Bertram, Johnson, Engler, Frank and Benson introduced—

S.F. No. 1616: A bill for an act relating to intoxicating liquor; town board approval of certain county liquor licenses; amending Minnesota Statutes 1981 Supplement, Section 340.11, Subdivision 10.

Referred to the Committee on Commerce.

Messrs. Knoll; Moe, R.D.; Ms. Berglin and Mr. Solon introduced—

S.F. No. 1617: A bill for an act relating to public welfare; changing liquid asset limits for medical assistance eligibility; amending Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, as amended by a law passed in the 1981 third special session styled as House File No. 2, Article I, Section 32.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Frank, Mrs. Lantry, Ms. Berglin, Mrs. Stokowski and Mr. Waldorf introduced—

S.F. No. 1618: A bill for an act relating to crimes; prohibiting the sale, transfer and delivery of simulated controlled substances; prohibiting their sale, transfer and delivery; providing penalties; amending Minnesota Statutes 1980, Sections 152.09, Subdivision 1; 152.15, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 152.

Referred to the Committee on Judiciary.

Mr. Peterson, C.C. introduced—

S.F. No. 1619: A bill for an act relating to retirement; public employees retirement association and public employees police and fire fund; authorizing a modification in the payment of employee contributions to make them exempt from federal income taxation until disbursed as retirement annuities or benefits; amending Minnesota Statutes 1980, Sections 353.01, Subdivision 16; 353.27, Subdivisions 2, 7, 8, 9, 12, and by adding a subdivision; 353.28, Subdivision 1; 353.29, Subdivision 2; 353.32, Subdivisions 1, 2, 3, and 4; 353.34, Subdivisions 1, 2, and 5; 353.38; 353.65, Subdivisions 1, 2, 4, and by adding a subdivision; 353.656, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 353.27, Subdivision 4; 353.34, Subdivision 3; and 353.37, Subdivision 1.

Referred to the Committee on Public Employees and Pensions.

Mr. Pehler introduced—

S.F. No. 1620: A bill for an act relating to the town of St. Cloud; providing



for the homestead credit treatment of its property tax levy.

Referred to the Committee on Taxes and Tax Laws.

Mr. Merriam introduced—

S.F. No. 1621: A bill for an act relating to state government; removing the geographic limitation on state and public employees' eligibility for the state employee transportation program; amending Minnesota Statutes 1981 Supplement, Section 16.756, Subdivision 1a.

Referred to the Committee on Governmental Operations.

### 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.

### MOTIONS AND RESOLUTIONS - CONTINUED

#### SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1478 a Special Order to be heard immediately.

H.F. No. 1478: 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; 2.801; and 2.811.

Mr. Stumpf moved to amend H.F. No. 1478, as amended pursuant to Rule 49, adopted by the Senate January 26, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1387.)

Page 1, after line 9, insert:

“Section 1. [2.732] [DEFINITIONS.]

*The terms “county”, “town”, “township”, “city”, “ward”, “precinct”, “census block”, and “unorganized territory” when used in a description of a district in sections 3 to 10 mean a geographical area established as such by law and as it existed on April 1, 1980.”*

Page 1, line 10, delete “2.732” and insert “2.733”

Page 1, line 11, delete “is”

Page 1, line 12, delete “divided into” and insert “embraces”

Page 1, line 16, delete “the state is”

Page 1, line 17, delete “generally equally divided between”

Page 1, line 18, before the comma insert “is approximately equal”

Page 1, line 23, delete “a fragmentation of the” and insert “an inequality of”

Page 1, lines 23 and 24, delete "*of these two communities of interest*"

Page 1, line 24, delete "*seven*" and insert "*only three*"

Page 1, line 25, delete everything after "*districts*"

Page 1, line 26, delete everything before the semicolon and insert "*are predominantly metropolitan in character, whereas five of the eight current congressional districts are predominantly outstate in character*"

Page 2, line 1, delete "*fragmentation*" and insert "*inequality*"

Page 2, line 5, delete the first "*and*" and insert "*, plus*"

Page 2, line 7, delete "*allocated to*" and insert "*encompassing*"

Page 2, line 7, delete "*seventy-eight-county*"

Page 6, after line 8, insert:

"Sec. 11. [EFFECTIVE DATE.]

*This act is effective for elections held in 1982 and thereafter for elections for representatives to serve in 1983 and thereafter.*"

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

Mr. Pillsbury moved to amend H.F. No. 1478, as amended pursuant to Rule 49, adopted by the Senate January 26, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1387.)

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 2.741, is amended to read:

2.741 [FIRST DISTRICT.]

The first congressional district shall consist of the counties of Dodge, Fillmore, Goodhue, Houston, Olmsted, Rice, Steele, Wabasha, ~~Washington~~, and Winona, *that portion of the county of Washington not included in the fourth congressional district*, and that portion of the county of Dakota not included in the second or fourth congressional ~~district districts~~.

Sec. 2. Minnesota Statutes 1980, Section 2.751, is amended to read:

2.751 [SECOND DISTRICT.]

The second congressional district shall consist of the counties of Blue Earth, Brown, Carver, Faribault, Freeborn, ~~Jackson~~, LeSueur, Martin, McLeod, Mower, Nicollet, Scott, Sibley, Waseca, and Watonwan, and that portion of the county of Dakota consisting of the towns of ~~Egan and Eureka~~, and the cities of Apple Valley, Burnsville, ~~Farmington~~, and ~~Lakeville Egan~~, ~~Lilydale~~, ~~Mendota and Mendota Heights~~, and that portion of the county of Hennepin consisting of the cities of ~~Deephaven~~, ~~Excelsior~~, ~~Greenwood~~, ~~Long Lake~~, ~~Minnetrista~~, ~~Mound~~, ~~Orono~~, ~~St. Bonifacius~~, ~~Shorewood~~, ~~Spring Park~~, ~~Tonka Bay~~, and ~~Woodland~~, and the cities of ~~Minnetonka Beach~~ and ~~Wayzata city of Chanhassen~~.

Sec. 3. Minnesota Statutes 1980, Section 2.761, is amended to read:

2.761 [THIRD DISTRICT.]

The third congressional district shall consist of that portion of the county of Hennepin consisting of the cities of Brooklyn Park, Chanhassen, Eden Prairie, Edina, Golden Valley, Medicine Lake, Minnetonka, New Hope, and Plymouth, the cities of Bloomington, Brooklyn Center, Crystal, Hopkins, Richfield, Robbinsdale, and St. Louis Park, any part of the area included in the Minneapolis-St. Paul International Airport not a part of an incorporated municipality, and that portion of the city of Minneapolis described as follows: Commencing at the intersection of Fifty-third Avenue North and Xerxes Avenue North, thence southerly along Xerxes Avenue North to Forty-first Avenue North, thence easterly along Forty-first Avenue North to Thomas Avenue North, thence southerly along Thomas Avenue North to Thirty-eighth Avenue North, thence easterly along Thirty-eighth Avenue North to Sheridan Avenue North, thence southerly along Sheridan Avenue North to Thirty-fourth Avenue North, thence easterly along Thirty-fourth Avenue North to Girard Avenue North, thence northerly along Girard Avenue North to Thirty-eighth Avenue North, thence westerly along Thirty-eighth Avenue North to Humboldt Avenue North, thence northerly along Humboldt Avenue North to Forty-second Avenue North, thence westerly along Forty-second Avenue North to James Avenue North, thence northerly along James Avenue North to Forty-third Avenue North, thence westerly along Forty-third Avenue North to Penn Avenue North, thence northerly along Penn Avenue North to Forty-fourth Avenue North, thence easterly along Forty-fourth Avenue North to Oliver Avenue North, thence northerly along Oliver Avenue North to the right-of-way of the Soo Line Railroad, thence southeasterly along the right-of-way of the Soo Line Railroad to Forty-second Avenue North, thence easterly along the extension of Forty-second Avenue North to the main channel of the Mississippi River, thence northerly along the main channel of the Mississippi River to the extension of Fifty-third Avenue North, and thence westerly along Fifty-third Avenue North and its extension to the point of beginning, and the Fort Snelling Military Reservation not included in the second, fifth or sixth congressional districts.

Sec. 4. Minnesota Statutes 1980, Section 2.771, is amended to read:

2.771 [FOURTH DISTRICT.]

The fourth congressional district shall consist of *that portion of the county of Anoka consisting of the cities of Centerville, Circle Pines, Lexington and Lino Lakes, that portion of the county of Dakota consisting of the city of South St. Paul, that portion of the county of Washington consisting of the cities of Oakdale, Newport and St. Paul Park, and that portion of the county of Ramsey not included in the fifth congressional district.*

Sec. 5. Minnesota Statutes 1980, Section 2.781, is amended to read:

2.781 [FIFTH DISTRICT.]

The fifth congressional district shall consist of that portion of the county of Hennepin consisting of the city of St. Anthony and that portion of the city of Minneapolis not included in the third congressional district cities of Brooklyn Center, Minneapolis, Robbinsdale and St. Anthony, and that portion of the county of Anoka consisting of the cities of Hilltop, Fridley and Columbia Heights Blaine, Columbia Heights, Fridley, Hilltop and Spring Lake Park, and that portion of the county of Ramsey consisting of the city of St. Anthony.

Sec. 6. Minnesota Statutes 1980, Section 2.791, is amended to read:

2.791 [SIXTH DISTRICT.]

The sixth congressional district shall consist of the counties of Benton, ~~Big Stone~~, Chippewa, Cottonwood, ~~Jackson~~, Kandiyohi, ~~Lac qui Parle~~, Lincoln, Lyon, Meeker, Mille Lacs, ~~Morrison~~, Murray, Nobles, Pipestone, Redwood, Renville, Rock, Sherburne, Stearns, Wright, and Yellow Medicine, and that portion of the county of Hennepin ~~not included in the second, third, or fifth congressional districts consisting of the cities of Greenfield, Hanover, Independence, Loretto, Maple Plain, Medina and Rockford.~~

Sec. 7. Minnesota Statutes 1980, Section 2.801, is amended to read:

2.801 [SEVENTH DISTRICT.]

The seventh congressional district shall consist of the counties of Aitkin, Beltrami, Becker, *Big Stone*, Cass, Clay, Clearwater, Crow Wing, Douglas, Grant, Hubbard, Kittson, *Lac Qui Parle*, Lake of the Woods, Mahnomen, Marshall, ~~Morrison~~, Norman, Otter Tail, Pennington, Polk, Pope, Red Lake, Roseau, Stevens, Swift, Todd, Traverse, Wadena, and Wilkin.

Sec. 8. Minnesota Statutes 1980, Section 2.811, is amended to read:

2.811 [EIGHTH DISTRICT.]

The eighth congressional district shall consist of the counties of Carlton, Chisago, Cook, Isanti, Itasca, Kanabec, Koochiching, Lake, Pine, and St. Louis, and that part of the county of Anoka which is not included in the *fourth or fifth congressional district districts.*"

Amend the title as follows:

Page 1, line 6, delete everything after "2.811" and insert a period

Page 1, delete line 7

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	Bernhagen	Kamrath	Peterson, D.L.	Rued
Bang	Brataas	Keefe	Pillsbury	Sieloff
Belanger	Engler	Kronebusch	Ramstad	Taylor
Benson	Frederickson	Lindgren	Renneke	Ulland

Those who voted in the negative were:

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

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

Mr. Berg moved that the amendment made to H.F. No. 1478 by the Committee on Rules and Administration in the report adopted January 26, 1982, pursuant to Rule 49, be stricken and that the Stumpf amendment adopted by the Senate January 27, 1982, be stricken.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 24 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Keefe	Peterson, D.L.	Rued
Bang	Engler	Kronebusch	Pillsbury	Sieloff
Belanger	Frederick	Lindgren	Purfearer	Taylor
Berg	Frederickson	Olhoft	Ramstad	Ulland
Bernhagen	Kamrath	Peterson, C.C.	Renneke	

Those who voted in the negative were:

Benson	Dieterich	Lantry	Penny	Stokowski
Berglin	Frank	Luther	Peterson, R.W.	Stumpf
Bertram	Hanson	Menning	Petty	Vega
Chmielewski	Humphrey	Merriam	Schmitz	Waldorf
Dahl	Johnson	Moe, D. M.	Setzepfandt	Willet
Davies	Knutson	Moe, R. D.	Sikorski	
Davis	Kroening	Nelson	Spear	
Dicklich	Langseth	Peher	Stern	

The motion did not prevail.

H.F. No. 1478 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 23, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ashbach	Bernhagen	Kamrath	Purfearer	Stern
Bang	Brataas	Keefe	Ramstad	Taylor
Belanger	Engler	Kronebusch	Renneke	Ulland
Benson	Frederick	Lindgren	Rued	
Berg	Frederickson	Peterson, D.L.	Sieloff	

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

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 11.00 a.m., Thursday, January 28, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTY-SIXTH DAY

St. Paul, Minnesota, Thursday, January 28, 1982

The Senate met at 11:00 a.m. and was called to order by the President.

### CALL OF THE SENATE

Mr. Merriam 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. Thomas G. Phillips.

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

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

Messrs. Hanson and Lessard were excused from the Session of today.

### MOTIONS AND RESOLUTIONS

Mr. Humphrey moved that his name be stricken as chief author, added as a co-author, and Mr. Ramstad be added as chief author to S.F. No. 871. The motion prevailed.

Mr. Sikorski moved that the name of Ms. Berglin be added as a co-author to S.F. No. 1596. The motion prevailed.

Mr. Spear introduced—

Senate Resolution No. 71: A Senate resolution commemorating the 100th

anniversary of the birth of Franklin Delano Roosevelt.

Mr. Moe, R. D. moved that Senate Resolution No. 71 be laid on the table. The motion prevailed.

Mr. Peterson, R. W. introduced—

Senate Resolution No. 72: A Senate resolution commemorating the life and work of Franklin Delano Roosevelt.

Referred to the Committee on Rules and Administration.

### 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.

### MOTIONS AND RESOLUTIONS - CONTINUED

#### SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R. D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 1552 a Special Order to be heard immediately.

S.F. No. 1552: A bill for an act relating to legislative districts; reapportioning legislative districts; amending Minnesota Statutes 1980, Sections 2.021; 2.031; and 2.711; proposing new law coded in Minnesota Statutes, Chapter 2; repealing Minnesota Statutes 1980, Sections 2.041 to 2.701 and 2.712.

Mr. Stumpf moved to amend S. F. No. 1552 as follows:

Page 13, line 18, delete "29th Ave. North" and insert "Park Drive"

Page 13, line 19, delete "29th Ave. North" and insert "Park Drive"

Page 13, lines 19 and 20, delete "29th Ave. North" and insert "Park Drive to Forest Drive, southwesterly along Forest Drive to 29th Ave. North, southerly along 29th Ave. North"

Page 30, line 35, after "the" insert "northern line of the"

Page 33, line 32, delete "Ave." and insert "Lane" in both places

Page 34, line 10, delete "St." and insert "Ave." in both places

Page 34, line 17, after "Blaine" insert ", Mounds View"

Page 35, line 7, delete "north" and insert "south"

Page 35, line 7, delete "east" and insert "west"

Page 35, line 32, delete "lying east of a line" and insert "located within an area"

Page 35, line 33, delete "County Road D and" and insert "the northern city boundary and the Burlington Northern Railway tracks, southerly along the Burlington Northern Railway tracks to County Road D, easterly along County

*Road D to*

Page 36, line 2, delete "and" and insert a comma

Page 36, line 3, after "Ave." insert "*easterly along Larpenteur Ave. to the Ramsey County line, northerly along the Ramsey County line to the northern boundary of the city of Maplewood, westerly along the northern boundary of the city of Maplewood to the point of origin.*"

Page 41, line 6, delete "the mall" and insert "The Mall"

Page 41, line 6, delete "W. 29th St." and insert "The Mall"

Page 42, line 14, delete "1st" and insert "3rd"

Page 43, lines 20 and 21, capitalize "railway"

Page 45, line 26, delete "Nicoller" and insert "Pillsbury"

Page 47, line 7, delete "westerly" and insert "western"

Page 47, line 27, delete "state highway 96" and insert "Turtle Lake Road"

Page 50, line 12, delete everything after "Ave."

Page 50, line 13, delete everything before "to"

Page 51, line 11, delete everything after "Ave."

Page 51, line 12, delete everything before "to"

Page 52, line 8, delete "Fairview" and insert "Prior"

Page 53, lines 6 and 7, delete "E. Minnehaha Ave." and insert "10th Street North"

Page 53, line 10, delete "Geneva" and insert "Century" in both places

Page 54, line 20, delete "Ave." and insert "St."

The motion prevailed. So the amendment was adopted.

S.F. No. 1552 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 44 and nays 21, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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



Mr. Moe, R.D. moved that Senate Resolution No. 71 be taken from the table. The motion prevailed.

Senate Resolution No. 71: A Senate resolution commemorating the 100th anniversary of the birth of Franklin Delano Roosevelt.

WHEREAS, January 30, 1982 is the 100th birthday of Franklin Delano Roosevelt; and,

WHEREAS, Franklin Delano Roosevelt was one of our greatest presidents; and,

WHEREAS, Franklin Delano Roosevelt exhibited great compassion for humanity; and,

WHEREAS, Franklin Delano Roosevelt recognized and advanced the role of government to provide assistance for those unable to provide for themselves; and,

WHEREAS, Franklin Delano Roosevelt provided world leadership based on a vision of cooperation and amity; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota, that it proclaims Saturday, January 30, 1982 as Franklin Delano Roosevelt Centennial Day in Minnesota.

BE IT FURTHER RESOLVED that the people of Minnesota are encouraged to hold meetings, ceremonies, celebrations, and other activities to commemorate Franklin Delano Roosevelt Centennial Day.

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

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Ms. Berglin introduced—

S.F. No. 1622: A bill for an act relating to taxation; providing homestead treatment for certain cooperative housing; amending Minnesota Statutes 1980, Section 273.133, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Pehler, Bernhagen, Olhoft, Berg and Davies introduced—

S.F. No. 1623: A bill for an act relating to public indebtedness; providing the interest rate maximum on obligations; amending Minnesota Statutes 1980, Section 475.55, Subdivision 1.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Merriam introduced—

S.F. No. 1624: A bill for an act relating to education; changing certain dates related to approval of special education programs by the commissioner of

education; changing the date aid is paid for special education summer school programs; amending Minnesota Statutes 1980, Section 124.32, Subdivisions 7 and 10.

Referred to the Committee on Education.

Messrs. Ashbach, Dicklich and Johnson introduced—

S.F. No. 1625: A bill for an act relating to state lands; providing for the conveyance of certain lands to the heirs of John G. and Ruby A. Handberg.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Solon introduced—

S.F. No. 1626: A bill for an act relating to public welfare; providing for reimbursement of chiropractic services for people receiving general assistance medical care; clarifying the meaning of medically certified for purposes of eligibility for general assistance; amending Minnesota Statutes 1981 Supplement, Sections 256D.03, Subdivision 4; and 256D.05, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Ms. Berglin, Messrs. Knoll and Moe, R.D. introduced—

S.F. No. 1627: A bill for an act relating to debt management; creating the legislative commission on debt management and prescribing its duties; requiring reports; proposing new law coded in Minnesota Statutes, Chapter 3.

Referred to the Committee on Governmental Operations.

Mr. Dicklich introduced—

S.F. No. 1628: A bill for an act relating to retirement; validating a certain post retirement adjustment granted by the Virginia firefighters relief association.

Referred to the Committee on Public Employees and Pensions.

Mr. Dicklich introduced—

S.F. No. 1629: A bill for an act relating to the city of Hibbing; authorizing increases in certain firefighters service pensions and survivor benefits; amending Laws 1977, Chapter 169, Section 1 and Laws 1971, Chapter 614, Section 1, Subdivision 2.

Referred to the Committee on Public Employees and Pensions.

Mr. Hanson introduced—

S.F. No. 1630: A bill for an act relating to the legislature; changing January payment date; amending Minnesota Statutes 1980, Section 3.099, Subdivision 1.

Referred to the Committee on Rules and Administration.

Mr. Hanson introduced—

S.F. No. 1631: A bill for an act relating to the Red River watershed; naming all counties in which the special taxing authority of certain watershed districts applies; amending Laws 1976, Chapter 162, Section 1.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Hanson introduced—

S.F. No. 1632: A bill for an act relating to education; providing for enrollment in a school district other than the district of residence in cases of particular hardship; amending Minnesota Statutes 1980, Section 120.0751, Subdivision 3, and by adding a subdivision.

Referred to the Committee on Education.

Mr. Knutson, Mrs. Lantry, Messrs. Schmitz, Purfeerst and Engler introduced—

S.F. No. 1633: A bill for an act relating to transportation; directing the commissioner of transportation to construct a freeway along a certain route in the city of St. Paul; requiring the posting of bond in certain proceedings; amending Minnesota Statutes 1980, Section 161.1245, Subdivision 1; repealing Minnesota Statutes 1980, Section 161.1245, Subdivision 2.

Referred to the Committee on Transportation.

Messrs. Davies; Peterson, R.W.; Petty and Chmielewski introduced—

S.F. No. 1634: A bill for an act relating to employment; providing protection for employees who perform certain civic duties; providing penalties; proposing new law coded in Minnesota Statutes, Chapter 181.

Referred to the Committee on Judiciary.

Mr. Taylor introduced—

S.F. No. 1635: A bill for an act relating to education; eliminating a requirement that school districts submit separate corrections of all auditor adjustments; amending Minnesota Statutes 1980, Section 121.908, Subdivision 3.

Referred to the Committee on Education.

Messrs. Berg, Merriam, Ashbach, Setzepfandt and Renneke introduced—

S.F. No. 1636: A bill for an act relating to elections; requiring notices and reports concerning certain fundraisers; proposing new law coded in Minnesota Statutes, Chapter 10A.

Referred to the Committee on Elections and Reapportionment.

Mr. Spear; Ms. Berglin; Messrs. Moe, D.M. and Nelson introduced—

S.F. No. 1637: A bill for an act relating to state investment policy; prohibiting certain investments in countries not following human rights standards; proposing new law coded in Minnesota Statutes, Chapter 11A.

Referred to the Committee on Public Employees and Pensions.

Messrs. Rued; Peterson, R. W.; Hughes and Peterson, D.L. introduced—

S.F. No. 1638: A bill for an act relating to education; authorizing the use of the special purpose capital expenditure levy for payment of special assessments against school district property; amending Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 11b.

Referred to the Committee on Education.

Mr. Spear introduced—

S.F. No. 1639: A bill for an act relating to retirement; Hennepin county supplemental retirement program; providing for a phase out of the program; authorizing current participants to withdraw from the program; providing for an increased withdrawal benefit option in certain instances; amending Laws 1969, Chapter 950, Sections 1, 2, 3, as amended, 4, as amended, 5 and 6; repealing Laws 1969, Chapter 950, Section 8.

Referred to the Committee on Public Employees and Pensions.

Messrs. Petty and Davies introduced—

S.F. No. 1640: A bill for an act relating to Hennepin County; providing for the interest on and name of certain debt; regulating personnel provisions; clarifying self insurance authority; amending Laws 1965, Chapter 855, Section 4, Subdivision 1, as amended, and Section 7, Subdivisions 3, as amended, and 4, as amended; Laws 1979, Chapter 55, Section 1; and Laws 1979, Chapter 198, Article II, Section 7, Subdivisions 1 and 2.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Sieloff introduced—

S.F. No. 1641: A bill for an act relating to family law; defining the status of marital property and providing for its division in dissolution and annulment actions; amending Minnesota Statutes 1980, Section 518.54, Subdivision 5; and Minnesota Statutes 1981 Supplement, Section 518.58.

Referred to the Committee on Judiciary.

Mr. Benson introduced—

S.F. No. 1642: A bill for an act relating to agriculture; clarifying the provision of state livestock weighing services; amending Minnesota Statutes 1980, Section 17A.10.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Rued, Setzepfandt, Willet, Frederickson and Langseth introduced—

S.F. No. 1643: A bill for an act relating to agriculture; requiring the commissioner of agriculture to make certain rules relating to milk for manufacturing purposes; proposing new law coded in Minnesota Statutes, Chapter 32.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Bang, Tennesen, Stern, Benson and Keefe introduced—

S.F. No. 1644: A bill for an act relating to securities; removing the exemption from filing fees for an agent who is a primary officer, partner, or director of a licensed broker-dealer; amending Minnesota Statutes 1981 Supplement, Section 80A.28, Subdivision 2.

Referred to the Committee on Commerce.

Messrs. Dahl, Sikorski, Humphrey, Willet and Stern introduced—

S.F. No. 1645: A bill for an act relating to easements; permitting utilization of wind easements for the operation of wind power systems; amending Minnesota Statutes 1980, Section 500.30.

Referred to the Committee on Energy and Housing.

Messrs. Engler, Knutson and Schmitz introduced—

S.F. No. 1646: A bill for an act relating to the city of Lakeville; authorizing advances of cash or engineering services, or both, by the city of Lakeville to the commissioner of transportation to expedite construction and improvement on a certain trunk highway within the city of Lakeville; authorizing the commissioner of transportation, by contract, to accept the advances and repay the advances from the trunk highway fund.

Referred to the Committee on Transportation.

Messrs. Kamrath, Frederickson, Spear and Peterson, C.C. introduced—

S.F. No. 1647: A bill for an act relating to retirement; permitting augmentation of benefits after 30 years of service in certain cases; proposing new law coded in Minnesota Statutes, Chapter 356.

Referred to the Committee on Public Employees and Pensions.

Messrs. Dahl and Davies introduced—

S.F. No. 1648: A bill for an act relating to nonprofit corporations; providing an internal reference correction; amending Minnesota Statutes 1980, Section 317.16, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Rued, Dieterich and Frederick introduced—

S.F. No. 1649: A bill for an act relating to education; modifying certain provisions governing abatement levy limitation adjustments as related to school districts; amending Minnesota Statutes 1980, Section 275.48.

Referred to the Committee on Education.

Messrs. Knutson, Solon, Benson and Mrs. Brataas introduced—

S.F. No. 1650: A bill for an act relating to public welfare; establishing foster care maintenance payments by the state; establishing a state goal for the reduction of the number of children in residential facilities for more than 24 months; requiring the commissioner of public welfare to comply with the requirements

of Title IV-E of the federal Social Security Act in order to obtain adoption assistance funds for eligible children; expanding the eligibility for medical assistance to include children receiving foster care maintenance payments under Title IV-E of the federal Social Security Act; amending Minnesota Statutes 1980, Sections 256.82; 257.071, by adding a subdivision; and 259.40, Subdivisions 2, 3, and 10; Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Waldorf introduced—

S.F. No. 1651: A bill for an act relating to the legislature; changing the dates on which members of the legislature are paid; amending Minnesota Statutes 1980, Section 3.099, Subdivision 1.

Referred to the Committee on Rules and Administration.

Messrs. Dahl, Setzepfandt, Sikorski, Johnson and Moe, R.D. introduced—

S.F. No. 1652: A bill for an act relating to taxation; providing an income tax credit for certain expenditures for woodburning appliances; amending Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 14.

Referred to the Committee on Energy and Housing.

Messrs. Peterson, D.L.; Sieloff; Ramstad; Lindgren and Belanger introduced—

S.F. No. 1653: A bill for an act relating to taxation; reducing the rate of taxation on certain corporate and bank income; amending Minnesota Statutes 1980, Section 290.361, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Peterson, D.L.; Sieloff; Ramstad; Lindgren and Belanger introduced—

S.F. No. 1654: A bill for an act relating to taxation; adopting certain federal depreciation provisions; amending Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 20; 290.09, Subdivision 7; and 290.091.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Dahl, Frank, Menning, Purfeerst and Langseth introduced—

S.F. No. 1655: A bill for an act relating to state government; establishing a task force on waste and mismanagement in governmental operations; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 4.

Referred to the Committee on Governmental Operations.

Messrs. Dahl, Frank, Petty, Dicklich and Langseth introduced—

S.F. No. 1656: A bill for an act relating to taxation; increasing the income

tax exclusion for pension income; amending Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Mr. Dahl; Mrs. Lantry; Messrs. Johnson; Moe, D.M. and Mrs. Stokowski introduced—

S.F. No. 1657: A bill for an act relating to residential energy credits; extending the effective date; amending Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 14.

Referred to the Committee on Energy and Housing.

Messrs. Dahl; Peterson, R.W.; Ashbach and Sieloff introduced—

S.F. No. 1658: A bill for an act relating to civil actions; providing civil liability for illegal sale or barter of alcoholic beverages; amending Minnesota Statutes 1980, Sections 340.95; and 340.951; proposing new law coded in Chapter 340.

Referred to the Committee on Judiciary.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, February 1, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTY-SEVENTH DAY

St. Paul, Minnesota, Monday, February 1, 1982

The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Orrin P. Sheggeby.

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

Ashbach	Dieterich	Kroening	Penny	Solon
Bang	Engler	Kronebusch	Peterson, C.C.	Spear
Belanger	Frank	Langseth	Peterson, D.L.	Stern
Benson	Frederick	Lantry	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	Kamrath	Moe, R.D.	Rued	Waldorf
Davies	Keefe	Nelson	Schmitz	Wegener
Davis	Knoll	Olhoft	Sieloff	Willet
Dicklich	Knutson	Pehler	Sikorski	

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. Berg, Lessard and Setzepfandt were excused from the Session of today.

### REPORTS OF COMMITTEES

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

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

S.F. No. 1503: A bill for an act relating to game and fish; fees for firearms safety courses; amending Minnesota Statutes 1980, Section 97.85, Subdivision 1.



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

Page 1, line 11, reinstate the stricken language and delete the new language

Page 1, line 12, delete the new language and after the stricken "\$2" insert "\$5"

Page 1, line 13, delete "program"

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

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

S.F. No. 1068: A bill for an act relating to agriculture; authorizing gradual increases in assessments for potato research and promotion; amending Minnesota Statutes 1980, Section 30.469.

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

Pages 1 to 3, delete section 1 and insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 30.469, is amended to read:

30.469 [ASSESSMENT LEVIED.]

Commencing July 1, 1977, an assessment at the rate of two cents per hundredweight shall be levied and imposed upon all potatoes grown or sold or delivered to a first handler in this state. *A council may increase the assessment by not more than one-half cent per hundredweight in any year until a maximum assessment of four cents per hundredweight is reached.* The assessment shall not be imposed upon potatoes retained by growers to be used for seed purposes or for their own consumption.

(a) The assessment imposed by sections 30.461 to 30.479 shall be due upon any identifiable lot or quantity of potatoes.

(b) A first handler of potatoes shall file an application with the council on forms prescribed and furnished by the council which shall contain the name under which the handler is transacting business within the state, the place or places of business and location of loading and shipping places of agents of the first handler, the names and addresses of the several persons constituting a firm or partnership, and, if a corporation, the corporate name and the names and addresses of its principal officers and agents within the state. The council shall issue a certificate to the first handler and a first handler shall not sell or ship any potatoes until the certificate is furnished as required by this section.

(c) Each first handler of potatoes shall collect the assessment imposed by sections 30.461 to 30.479 by charging and collecting from the seller the assessment at the rate of ~~two cents per hundredweight~~ *set by the council* by deducting the assessment from the purchase price of all potatoes subject to the assessment and purchased by the first handler.

(d) Every first handler shall keep permanent records of all purchases, sales,

and shipments of raw potatoes, which records shall be open for examination by the commissioner at all reasonable times. Every first handler shall render a report to the council stating the quantity of potatoes received, sold, or shipped during the preceding calendar quarter, on forms to be furnished by the council. The report shall be due not later than 15 days after the end of the calendar quarter. The report shall contain further information as the council shall prescribe. With the filing of the report, each first handler shall pay to the council an assessment at the rate of ~~two cents per hundred weight~~ *set by the council* upon all potatoes reported as purchased, sold, or shipped, as determined by the council.

All moneys levied and collected under sections 30.461 to 30.479 shall be paid to the area council having jurisdiction for deposit to the credit of that area, in a fund designated "Potato Fund", in a federally insured depository institution and shall be disbursed by the officers and employees approved by the commissioner of agriculture with the advice and consent of the area potato council. These funds are to be used exclusively to carry out the intent and the purposes of sections 30.461 to 30.479 as it relates to that area.

Sec. 2. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*

Amend the title as follows:

Page 1, line 4, delete "1980" and insert "1981 Supplement"

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

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

S.F. No. 1364: A bill for an act relating to local government; providing for the separation of the city and town of Sturgeon Lake.

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

Page 1, after line 12, insert:

"Sec. 2. [SEPARATION OF THE CITY OF RUTLEDGE AND TOWN OF KETTLE RIVER.]

*The city of Rutledge is constituted an election and assessment district separate from the town of Kettle River. Assets, tax levies, debts and property of the city and town shall be disposed of or discharged as provided by Minnesota Statutes, Section 412.081, Subdivision 3."*

Page 1, line 14, before "This" insert "Section 1 of"

Page 1, line 17, after the period insert "Section 2 of this act is effective 60 days after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the city council of the city of Rutledge and the town board of the town of Kettle River."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, before the period insert ", and the city of Rutledge and town

of Kettle River”

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

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

S.F. No. 860: A bill for an act relating to municipal land use planning; permitting municipal fees for administrative actions relating to official controls; amending Minnesota Statutes 1980, Section 462.353, by adding a subdivision; repealing Minnesota Statutes 1980, Section 462.358, Subdivision 4.

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

Page 1, line 13, delete “to review,”

Page 1, line 14, delete “investigate and administer” and insert “in reviewing, investigating, and administering an application for an amendment to”

Page 1, line 15, before the period insert “or an application for a permit or other approval required under an official control established pursuant to those sections”

Page 1, line 15, after the period insert “Fees as prescribed shall be by ordinance.”

Page 1, after line 15, insert:

“Sec. 2. Minnesota Statutes 1980, Section 462.358, Subdivision 3b, is amended to read:

Subd. 3b. [REVIEW PROCEDURES.] The regulations shall include provisions regarding the content of applications for proposed subdivisions, the preliminary and final review and approval or disapproval of applications, and the coordination of such reviews with affected political subdivisions and state agencies. The regulations may provide for the consolidation of the preliminary and final review and approval or disapproval of subdivisions. Preliminary or final approval may be granted or denied for parts of subdivision applications. ~~The regulations may prescribe fees sufficient to defray the costs incurred by the municipality in the review and investigation of and actions upon such applications.~~ The regulations may delegate the authority to review proposals to the planning commission, but final approval or disapproval shall be the decision of the governing body of the municipality unless otherwise provided by law or charter. The regulations shall require that a public hearing shall be held on all subdivision applications prior to preliminary approval, unless otherwise provided by law or charter. The hearing shall be held following publication of notice of the time and place thereof in the official newspaper at least ten days before the day of the hearing. At the hearing, all persons interested shall be given an opportunity to make presentations. A subdivision application shall be preliminarily approved or disapproved within 120 days following delivery of an application completed in compliance with the municipal ordinance by the applicant to the municipality, unless an extension of the review period has been agreed to by the applicant. When a division or subdivision to which the regulations of the municipality do not apply is presented to the city, the clerk of the municipality shall within ten days certify that the subdivision regulations of

the municipality do not apply to the particular division.

If the municipality or the responsible agency of the municipality fails to preliminarily approve or disapprove an application within the review period, the application shall be deemed preliminarily approved, and upon demand the municipality shall execute a certificate to that effect. Following preliminary approval the applicant may request final approval by the municipality, and upon such request the municipality shall certify final approval within 60 days if the applicant has complied with all conditions and requirements of applicable regulations and all conditions and requirements upon which the preliminary approval is expressly conditioned either through performance or the execution of appropriate agreements assuring performance. If the municipality fails to certify final approval as so required, and if the applicant has complied with all conditions and requirements, the application shall be deemed finally approved, and upon demand the municipality shall execute a certificate to that effect. After final approval a subdivision may be filed or recorded."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "Section" and insert "Sections" and after the semi-colon insert "and 462.358, Subdivision 3b;"

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

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

S.F. No. 1538: A bill for an act relating to peace officers; providing for appointment of peace officers, constables and deputy constables in towns; requiring towns to notify the peace officers standards and training board before employing law enforcement officers; amending Minnesota Statutes 1980, Sections 367.03, Subdivisions 1, 2, and 3; 367.22; 367.40, Subdivisions 3 and 4; 367.41; Minnesota Statutes 1981 Supplement, Section 367.42, Subdivision 1; repealing Minnesota Statutes 1981 Supplement, Section 382.28.

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

Page 2, line 27, before "to" insert "*to authorize the town board*"

Page 4, line 6, strike "or elected on or"

Page 4, line 7, strike "after July 1, 1979" and delete "*or appointed*"

Page 4, line 19, strike "election or"

Page 4, line 20, strike "on or after July 1,"

Page 4, line 21, strike "1979" and delete "*or appointment*"

Page 4, line 28, strike "or"

Page 4, line 29, strike "elected on or after July 1, 1979" and delete "*or appointed*"

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

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

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.

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

### SECOND READING OF SENATE BILLS

S.F. Nos. 1503, 1068, 1364, 860, 1538 and 1408 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Dieterich moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1175. The motion prevailed.

Ms. Berglin moved that the name of Mr. Petty be added as a co-author to S.F. No. 1627. 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, R.W. reported that the committee had considered the following:

S.F. No. 1151, which the committee recommends to pass.

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

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Hanson introduced—

S.F. No. 1659: A bill for an act relating to game and fish; prohibited methods of taking certain quadrupeds; amending Minnesota Statutes 1980, Section 100.29, Subdivision 14.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Ashbach and Keefe introduced—

S.F. No. 1660: A bill for an act relating to welfare; requiring notice to property owners of the establishment of certain facilities; amending Minnesota Statutes 1980, Section 245.821, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Spear; Peterson, C.C.; Mrs. Lantry; Messrs. Frederickson and

Renneke introduced—

S.F. No. 1661: A bill for an act relating to retirement; local police and salaried firefighters relief associations; providing minimum disability benefit coverage for certain police officers and firefighters; proposing new law coded in Minnesota Statutes, Chapter 423A.

Referred to the Committee on Public Employees and Pensions.

Messrs. Belanger, Purfeerst, Engler, Stern and Chmielewski introduced—

S.F. No. 1662: A bill for an act relating to transportation; allowing certain vehicles to cross certain railroad crossings without stopping; removing the requirement for designated routes for certain buses; modifying the public transit capital grant assistance program; providing for public transit contract procedures; amending Minnesota Statutes 1980, Sections 169.28; 169.29; 169.80, Subdivisions 2 and 2a; 174.245; Laws 1981, Chapter 363, Section 55, Subdivision 1, as amended; repealing Minnesota Statutes 1980, Section 219.21.

Referred to the Committee on Transportation.

Messrs. Lindgren and Peterson, D.L. introduced—

S.F. No. 1663: A bill for an act relating to education; removing dental assessments, laboratory tests and nutritional assessments from the health and developmental screening program for pre-kindergarten children; amending Minnesota Statutes 1981 Supplement, Section 123.702, Subdivision 1a.

Referred to the Committee on Education.

Messrs. Johnson, Chmielewski, Pehler, Renneke and Wegener introduced—

S.F. No. 1664: A bill for an act relating to occupations and professions; clarifying the scope and extent of chiropractic practice; providing rulemaking authority to the board of chiropractic examiners; amending Minnesota Statutes 1980, Sections 148.01 and 148.08, by adding subdivisions.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Humphrey, Penny, Stern and Pehler introduced—

S.F. No. 1665: A bill for an act relating to the legislature; creating a committee on human and economic development and prescribing its duties; proposing new law coded in Minnesota Statutes, Chapter 3.

Referred to the Committee on Rules and Administration.

Messrs. Hanson; Tennesen; Peterson, R.W.; Merriam and Keefe introduced—

S.F. No. 1666: A bill for an act relating to legal services; providing for a surcharge on civil filing fees; authorizing the supreme court to appoint an advisory committee; authorizing the distribution of the surcharge funds to qualified programs providing legal services to certain persons; requiring a report to the legislature; proposing new law coded in Minnesota Statutes,

## Chapter 480.

Referred to the Committee on Judiciary.

Messrs. Moe, R.D.; Setzepfandt; Willet; Pehler and Ulland introduced—

S.F. No. 1667: A bill for an act relating to local government; removing town levy limits; amending Minnesota Statutes 1981 Supplement, Section 275.50, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sieloff introduced—

S.F. No. 1668: A bill for an act relating to the military; providing for the administration of oaths and acknowledgments by a member of the armed forces of the United States; amending Minnesota Statutes 1980, Sections 192.205, by adding a subdivision; and 358.32.

Referred to the Committee on Veterans' Affairs.

Messrs. Hanson, Ashbach, Merriam, Tennessen and Knutson introduced—

S.F. No. 1669: A bill for an act relating to courts; proposing an amendment to the Minnesota Constitution, Article VI, Sections 1, 2, 5 and 6; providing for a court of appeals; providing for election of judges; conferring certain powers and duties on the court of appeals; amending Minnesota Statutes 1980, Sections 2.724, Subdivision 2; 8.01; 10A.01, Subdivisions 5 and 19; 15.0416; 15.0417; 15.0424, Subdivisions 1, 2, 3 and 6; 15.0426; 45.07; 45.17, Subdivision 5; 97.481, Subdivision 2; 122.23, Subdivision 16c; 145.698, Subdivision 2; 145.838, Subdivision 4; 150A.08, Subdivision 2; 197.481, Subdivision 6; 210A.01, Subdivision 3; 237.39; 244.11; 260.291, Subdivision 2; 270.23; 290.48, Subdivision 6; 299F.25; 357.08; 363.072, Subdivisions 1 and 2; 373.11; 430.031, Subdivision 4; 480.01; 480.054; 480.055, Subdivision 1; 480.061, Subdivision 8; 480.19; 484.63; 487.39, Subdivisions 1 and 2; 488A.01, Subdivision 14; 488A.17, Subdivision 12; 488A.18, Subdivision 14; 488A.34, Subdivision 11; 501.35; 525.71; 574.18; 586.11; Minnesota Statutes 1981 Supplement, Sections 5.08, Subdivision 2; and 648.39, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 480A; repealing Minnesota Statutes 1980, Sections 80A.24, Subdivision 3; 363.10; 473.597; and 525.74.

Referred to the Committee on Judiciary.

Messrs. Spear and Davies introduced—

S.F. No. 1670: A bill for an act relating to guardianship and conservatorship; providing for delegation of certain powers by parents or guardians; applying the rules of evidence to certain proceedings; requiring appointment of conservators in certain cases; providing a procedure for discharge of guardians or conservators in certain cases; clarifying certain provisions; amending Minnesota Statutes 1980, Section 525.6165; Minnesota Statutes 1981 Supplement, Sections 525.55, Subdivision 1; 525.551, Subdivision 3; 525.5515; 525.619; and 525.6196; proposing new law coded in Minnesota Statutes, Chapters 524 and 525.

Referred to the Committee on Judiciary.

Messrs. Bernhagen, Merriam, Engler, Luther and Ulland introduced—

S.F. No. 1671: A bill for an act relating to environment; abolishing the water planning board; transferring certain duties of the water planning board to the environmental quality board and the department of energy, planning and development; providing for board membership and staff; providing for the appointment of a chairman; amending Minnesota Statutes 1980, Sections 116C.03, Subdivision 2a, and by adding subdivisions; 116C.04, by adding a subdivision; 362.12, by adding a subdivision; Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Sections 105.401; 116C.04, Subdivisions 8 and 9; 116C.05; 116C.07; and Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivision 3.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Ulland and Solon introduced—

S.F. No. 1672: A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; removing certain restrictions on highway bonds.

Referred to the Committee on Transportation.

Mr. Peterson, C.C. introduced—

S.F. No. 1673: A bill for an act relating to health; requiring reports of cases of Reyes syndrome; proposing new law coded in Minnesota Statutes, Chapter 144.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Taylor introduced—

S.F. No. 1674: A bill for an act relating to education; increasing the amount of money an area vocational-technical institute may expend for lands or buildings or for capital improvements without approval of the state board of education and authorization by specific legislative act; amending Minnesota Statutes 1980, Section 121.21, Subdivision 4a.

Referred to the Committee on Education.

Mr. Taylor introduced—

S.F. No. 1675: A bill for an act relating to education; providing that post-secondary vocational equipment aid be used for renting or leasing buildings for school purposes; amending Minnesota Statutes 1981 Supplement, Sections 124.5624, Subdivisions 3 and 4; and 124.5627, Subdivisions 3, 4, and 5.

Referred to the Committee on Education.

Messrs. Wegener, Johnson and Rued introduced—

S.F. No. 1676: A bill for an act relating to commerce; petroleum products; providing specifications for fuel oil sold as kerosene; amending Minnesota



Statutes 1980, Section 296.05, Subdivision 2, and by adding a subdivision.

Referred to the Committee on Commerce.

Messrs. Solon and Humphrey introduced—

S.F. No. 1677: A bill for an act relating to municipal planning and zoning; prohibiting exclusion of manufactured homes and other types of single family dwellings; amending Minnesota Statutes 1980, Section 462.357, Subdivision 1.

Referred to the Committee on Energy and Housing.

Messrs. Spear, Petty, Kroening, Mrs. Stokowski and Ms. Berglin introduced—

S.F. No. 1678: A bill for an act relating to the city of Minneapolis; providing for the security for certain rehabilitation loans; amending Laws 1977, Chapter 138, Section 2.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Ramstad, Sieloff, Olhoft, Mrs. Stokowski and Mr. Taylor introduced—

S.F. No. 1679: A bill for an act relating to the military; providing for the administration of oaths and acknowledgments by a member of the armed forces of the United States; amending Minnesota Statutes 1980, Sections 192.205, by adding a subdivision; and 358.32.

Referred to the Committee on Veterans' Affairs.

Mr. Dicklich introduced—

S.F. No. 1680: A resolution memorializing the President and Congress of the United States to provide winter navigation of the Great Lakes and the St. Lawrence Seaway.

Referred to the Committee on Transportation.

Messrs. Wegener, Kamrath, Setzepfandt, Davis and Penny introduced—

S.F. No. 1681: A bill for an act relating to agriculture; transferring the state soil and water conservation board to the department of agriculture; amending Minnesota Statutes 1980, Section 40.03, Subdivisions 1, 2 and 4.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Petty, Stern, Ms. Berglin and Mr. Belanger introduced—

S.F. No. 1682: A bill for an act relating to local government; permitting various leases and installment purchases of equipment; providing for their tax and fiscal treatment; amending Minnesota Statutes 1980, Sections 168.012, by adding a subdivision; 297B.03; and 465.71; Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Ashbach, Hughes, Belanger, Mrs. Lantry and Mr. Dahl introduced—

S.F. No. 1683: A bill for an act relating to metropolitan government; providing for the allocation of certain sewage costs; amending Minnesota Statutes 1980, Section 473.517, Subdivision 2.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Bang, Stern, Tennesen, Benson and Petty introduced—

S.F. No. 1684: A bill for an act relating to commerce; providing uniformity in requiring insurance of accounts in depository financial institutions; clarifying examination reports as confidential records; clarifying permissible transactions at financial institutions by examiners; defining building and loan association; clarifying financial institution real estate investment authority; establishing an application procedure for certain bank detached facilities; providing for clearly differentiating a detached facility from the parent bank principal office; establishing a uniform authority for financial institutions' limited trust powers and individual housing accounts; clarifying certain words, terms and phrases relating to supervision of banks and trust companies; eliminating the filing requirement for bank directors' oaths; clarifying exceptions to prohibition against bank or trust company sale of assets; providing for uniform quarterly reporting by banks or trust companies; providing uniform capital requirements for stock savings banks and approval procedures for amending articles or certificates of incorporation; removing inconsistencies in fees payable to secretary of state; removing the expiration date for the credit union advisory council; removing inconsistencies with earlier laws regarding certificate loan plans of industrial loan and thrift companies; providing for liquidity reserve requirements by insured industrial loan and thrift companies consistent with other depository institutions; providing for reasonable fees, annual renewals and surety bond limits for licensing safe deposit companies; clarifying default charges, deferments, conversion rights, interest after maturity and issuance of receipts on regulated loans; limiting licensing and examination of sales finance companies to those located in this state; authorizing the restatement of articles of incorporation of financial institutions; amending Minnesota Statutes 1980, Sections 46.07, Subdivision 2; 46.09, as amended; 47.01, Subdivision 5; 47.10; 48.01, Subdivision 1; 48.16; 48.21; 48.76; 50.25; 51A.23, Subdivision 6; 52.061; 52.24; 53.04, Subdivision 5; 53.07; 55.04, Subdivision 2; 55.05; 168.66, Subdivision 8; Minnesota Statutes 1981 Supplement, Sections 48.06; 48.48; 51A.03, Subdivision 5; 56.131, Subdivision 1; 56.14; proposing new law coded in Minnesota Statutes, Chapters 45; 47; 55; and 300; repealing Minnesota Statutes 1980, Sections 47.16, Subdivision 2; 48.159, Subdivision 1; 48.25; 50.157, Subdivision 1; 51A.21, Subdivision 16; 52.135; Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; and 52.136.

Referred to the Committee on Commerce.

Messrs. Petty, Stern, Bang, Dieterich and Davies introduced—

S.F. No. 1685: A bill for an act relating to metropolitan government; regulating the organization, duties and powers of the metropolitan mosquito con-

trol district and commission; amending Minnesota Statutes 1980, Sections 473.701, Subdivisions 1, 2 and 3; 473.702; 473.703, Subdivisions 1, 2 and by adding a subdivision; 473.704, Subdivisions 1, 5, 13, 14 and 17; 473.705; and 473.706; proposing new law coded in Minnesota Statutes, Chapter 473; repealing Minnesota Statutes 1980, Sections 473.701, Subdivisions 5 and 6; 473.703, Subdivisions 3, 4, 5, 6, 8, and 9; 473.704, Subdivisions 2, 3, 4, 6, and 15; 473.711; 473.713; 473.714; 473.715; and 473.717.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Bertram introduced—

S.F. No. 1686: A bill for an act relating to courts; authorizing courts to obtain the presence of persons confined in state institutions for court appearances; proposing new law coded in Minnesota Statutes, Chapter 589.

Referred to the Committee on Judiciary.

Mrs. Lantry, Messrs. Ashbach, Sieloff and Hughes introduced—

S.F. No. 1687: A bill for an act relating to Ramsey county; providing for the organization, powers and duties of the Saint Paul-Ramsey Medical Center commission; permitting the issuance of revenue bonds; amending Laws 1974, Chapter 435, Section 3.14, as amended.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Kamrath, Menning and Peterson, D.L. introduced—

S.F. No. 1688: A bill for an act relating to regional development commissions; establishing procedures for counties and municipalities to withdraw or join; amending Minnesota Statutes 1980, Section 462.387, by adding a subdivision.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Moe, D.M. and Tennesen introduced—

S.F. No. 1689: A bill for an act relating to the operation of state government; authorizing the legislative auditor to approve contracts for auditing state agencies; modifying authority of the housing finance agency and certain other agencies to contract for audits without approval; amending Minnesota Statutes 1980, Sections 3.972; and 462A.22, Subdivision 10.

Referred to the Committee on Governmental Operations.

Messrs. Frederickson; Setzepfandt; Davis; Peterson, D.L. and Engler introduced—

S.F. No. 1690: A bill for an act relating to agriculture; changing certain procedures relating to fertilizers and soil and plant amendments; imposing a penalty; amending Minnesota Statutes 1980, Sections 17.713, by adding a subdivision; 17.721, Subdivision 2; and 17.728, as amended; Minnesota Statutes 1981 Supplement, Sections 17.713, Subdivisions 8, 12, 17a, and 20; 17.714, Subdivision 2; 17.716, Subdivision 6; 17.719, Subdivision 1, and by adding a subdivision; 17.721, Subdivision 1; 17.725, Subdivision 1; and

17.726; proposing new law coded in Minnesota Statutes, Chapter 17.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Petty, Belanger, Stern and Ms. Berglin introduced—

S.F. No. 1691: A bill for an act relating to housing and redevelopment authorities; amending the method of determining a quorum when a conflict of interest exists; amending Minnesota Statutes 1981 Supplement, Section 462.432, Subdivision 2.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Rued, Wegener and Bertram introduced—

S.F. No. 1692: A bill for an act relating to the military; prohibiting entry to Camp Ripley without authorization of the adjutant general; imposing a penalty; amending Minnesota Statutes 1980, Sections 609.60 and 609.605.

Referred to the Committee on General Legislation and Administrative Rules.

Messrs. Rued, Wegener, Kamrath, Berg and Setzepfandt introduced—

S.F. No. 1693: A bill for an act relating to public utilities; requiring utilities to supply local government units with plans of their facilities; proposing new law coded in Minnesota Statutes, Chapter 216A.

Referred to the Committee on Commerce.

Mr. Stern introduced—

S.F. No. 1694: A bill for an act relating to the standard of time; providing that the Minnesota standard of time conform to the federal standard of time; amending Minnesota Statutes 1980, Section 645.071.

Referred to the Committee on General Legislation and Administrative Rules.

Mr. Pehler introduced—

S.F. No. 1695: A bill for an act relating to historic sites; adding the Consumers Pure Ice and Storage Company Building in St. Cloud to the registry of state historic sites; amending Minnesota Statutes 1980, Section 138.58, by adding a subdivision.

Referred to the Committee on General Legislation and Administrative Rules.

Mr. Pehler introduced—

S.F. No. 1696: A bill for an act relating to crimes; changing the blood alcohol concentration level required for the offense of driving while under the influence; amending Minnesota Statutes 1980, Sections 169.121, Subdivisions 1 and 2; 169.123, Subdivisions 2, 4, 5a, and 6.

Referred to the Committee on Judiciary.

Mr. Solon introduced—

S.F. No. 1697: A bill for an act relating to alcoholic beverages; increasing the maximum dollar value of equipment furnished to beer retailers by brewers and wholesalers; deleting obsolete language; amending Minnesota Statutes 1980, Section 340.405.

Referred to the Committee on Commerce.

Messrs. Knutson, Berg and Engler introduced—

S.F. No. 1698: A bill for an act relating to education; removing the requirement of commissioner of education's approval when the proceeds of the capital expenditure levy are used to rent or lease buildings for school purposes; removing general procedures requiring and governing commissioner of education's approval of contracts for rental of school rooms, buildings or other facilities; amending Minnesota Statutes 1980, Section 123.78, Subdivision 1; Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 11a; repealing Minnesota Statutes 1980, Section 123.37, Subdivisions 3 to 14.

Referred to the Committee on Education.

Mr. Chmielewski introduced—

S.F. No. 1699: A bill for an act relating to taxation; providing that individuals may designate a portion of their income tax refund or make a donation in addition to payment of income tax to the United States olympic committee; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Engler, Frederick, Setzepfandt, Purfeerst and Pehler introduced—

S.F. No. 1700: A bill for an act relating to transportation; adding a new route to the trunk highway system in substitution of an existing route; discontinuing and removing a route from the trunk highway system; providing for the disposal of surplus property; exempting the state transportation plan from the provisions of the administrative procedure act; requiring driver qualifications and safety requirements for certain motor carriers; regulating building movers and establishing fees; allowing expenditures from the state airports fund for educational programs to promote interest and safety in aeronautics; amending Minnesota Statutes 1980, Sections 161.41; 174.03, Subdivisions 1 and 2; 360.015, Subdivision 2; 360.017, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 221.011, Subdivision 22; and 221.81; proposing new law coded in Minnesota Statutes, Chapter 221.

Referred to the Committee on Transportation.

Messrs. Pillsbury and Benson introduced—

S.F. No. 1701: A bill for an act relating to government operations; revising the public employment labor relations act; modifying the definition of "essential employee" to include state employees in the health care non-professional unit; removing constraints from the mediation and strike processes;

amending Minnesota Statutes 1980, Sections 179.63, Subdivision 11; 179.64, Subdivisions 1 and 1b; 179.69, Subdivisions 1 and 3; 179.70, Subdivision 1; repealing Minnesota Statutes 1980, Section 179.64, Subdivision 1a; Minnesota Statutes 1981 Supplement, Sections 179.691 and 179.692.

Referred to the Committee on Public Employees and Pensions.

Messrs. Knutson, Dieterich, Benson, Sikorski and Keefe introduced—

S.F. No. 1702: A bill for an act relating to corrections; authorizing the appointment of internal security investigators for adult correctional facilities in the unclassified civil service; clarifying the "good time" and solitary confinement provisions relating to county jails; amending Minnesota Statutes 1980, Sections 241.01, Subdivision 3a; 641.09; and 643.29, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Knoll and Vega introduced—

S.F. No. 1703: A bill for an act relating to athletics; regulating boxing activities; providing a penalty; proposing new law coded in Minnesota Statutes, Chapter 341.

Referred to the Committee on Governmental Operations.

Mr. Pillsbury introduced—

S.F. No. 1704: A bill for an act relating to local government; changing certain notice requirements and meeting dates; establishing a homestead credit replacement aid formula; abolishing the homestead credit; altering the maximum amounts of property tax refunds for taxes payable; repealing the levy limit extension; amending Minnesota Statutes 1980, Sections 270.12, Subdivisions 2 and 3; 270.13; 273.13, Subdivision 8a, and by adding a subdivision; 274.01, Subdivision 1; 274.14; 290A.04, Subdivision 3, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 273.13, Subdivisions 4, 6, 7, and 9; proposing new law coded in Minnesota Statutes, Chapter 273; repealing Minnesota Statutes 1980, Sections 273.115, as amended; 273.116, as amended; 273.121; 273.13, Subdivisions 7a, 14, 14a, and 18; 273.139; Minnesota Statutes 1981 Supplement, Sections 124.213; 273.13, Subdivisions 15a and 15b; Laws 1981, Third Special Session, Chapter 2, Article IV, Sections 9, 10, and 11.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Ulland, Lindgren, Belanger, Mrs. Kronebusch and Mr. Luther introduced—

S.F. No. 1705: A bill for an act relating to crimes; providing prima facie evidentiary standards for determining if persons were driving while under the influence of alcohol; enhancing criminal penalties for persons who are convicted of more than one offense of driving while under the influence of alcohol or a controlled substance; enhancing the length of revocation of a driver's license or operating privileges for each additional offense of driving while under the influence of alcohol or a controlled substance; requiring results of preliminary screening tests be recorded on a driver's record if there is an

alcohol concentration between .05 and .10; authorizing chemical tests for persons incapable of refusing to submit to tests; authorizing written blood sample reports into evidence; amending Minnesota Statutes 1980, Sections 169.121, Subdivisions 1, 2, 3, 4, and 6; 169.123, Subdivisions 2, 3, 4, and by adding a subdivision; 171.12, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 169.121, Subdivision 5.

Referred to the Committee on Judiciary.

Messrs. Petty, Sikorski and Mrs. Brataas introduced—

S.F. No. 1706: A bill for an act relating to insurance; authorizing separate accounts for certain pension plans; amending Minnesota Statutes 1981 Supplement, Section 61A.282, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 61A.

Referred to the Committee on Commerce.

Messrs. Petty, Humphrey and Dahl introduced—

S.F. No. 1707: A bill for an act relating to crimes; expanding criminal responsibility of certain recipients of stolen property; modifying penalties for receiving stolen property; expanding definition of "burglary"; amending Minnesota Statutes 1980, Sections 609.53, Subdivisions 1 and 3; and 609.58, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 609.53, Subdivisions 1a and 4; repealing Minnesota Statutes 1980, Section 609.53, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 609.53, Subdivision 2a.

Referred to the Committee on Judiciary.

Messrs. Penny, Johnson, Nelson, Bernhagen and Benson introduced—

S.F. No. 1708: A bill for an act relating to the environment; regulating certain assessments for the environmental quality board; amending Minnesota Statutes 1981 Supplement, Section 116C.69, Subdivision 3.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Penny introduced—

S.F. No. 1709: A bill for an act relating to retirement; teachers retirement association; extending the time limit for the purchase of service credit for military service leaves of absence for certain veterans; amending Minnesota Statutes 1981 Supplement, Section 354.53, Subdivisions 1 and 3.

Referred to the Committee on Public Employees and Pensions.

Messrs. Penny, Setzepfandt, Willet, Purfeerst and Frederick introduced—

S.F. No. 1710: A bill for an act relating to public safety; providing that fines and forfeited bail money from overweight vehicles apprehended at state-operated scales be placed in the highway user tax distribution fund; amending Minnesota Statutes 1981 Supplement, Section 299D.03, Subdivision 5.

Referred to the Committee on Transportation.

Mr. Penny introduced—

S.F. No. 1711: A bill for an act relating to waters; making time limits mandatory for certain statutory duties of the commissioner of natural resources; amending Minnesota Statutes 1980, Sections 105.391, Subdivision 3; and 105.44, Subdivision 4.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Penny introduced—

S.F. No. 1712: A bill for an act relating to public welfare; removing certain exceptions from the authority of the state and counties to file liens against the property of persons receiving medical assistance; amending Minnesota Statutes 1980, Sections 256B.15; and 510.05.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Penny introduced—

S.F. No. 1713: A bill for an act relating to transportation; providing for the coordination and regulation of special transportation services; prescribing the powers and duties of the commissioner of health; providing for the administration of financial assistance by the commissioner of transportation; proposing new law coded in Minnesota Statutes, Chapter 144; repealing Minnesota Statutes 1980, Sections 174.29 and 174.30.

Referred to the Committee on Transportation.

Mr. Willet introduced—

S.F. No. 1714: A bill for an act relating to the environment; limiting and reducing emissions of sulphur dioxide in the state; requiring acid deposition control standards by the pollution control agency; requiring reports; proposing new law coded in Minnesota Statutes, Chapter 116.

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., Thursday, February 4, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



**SIXTY-EIGHTH DAY**

St. Paul, Minnesota, Thursday, February 4, 1982

The Senate met at 11:00 a. m. and was called to order by the President.

**CALL OF THE SENATE**

Mr. Tennessen imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rabbi Arnold Goodman.

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

Ashbach	Dicklich	Knutson	Pehler	Sikorski
Bang	Dieterich	Kroening	Peterson, C. C.	Solon
Belanger	Engler	Kronebusch	Peterson, D. L.	Spear
Benson	Frank	Langseth	Peterson, R. W.	Stern
Berg	Frederick	Lantry	Petty	Stokowski
Berglin	Frederickson	Lindgren	Pillsbury	Taylor
Bernhagen	Hanson	Luther	Purfeerst	Tennessen
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Merriam	Renneke	Vega
Chmielewski	Johnson	Moe, D. M.	Rued	Waldorf
Dahl	Kamrath	Moe, R. D.	Schmitz	Wegener
Davies	Keefe	Nelson	Setzepfandt	Willet
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. Lessard, Penny and Stumpf were excused from the Session of today. Mr. Menning was excused from the Session of today at 11:30 a. m.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received and referred to the committees indicated.

May 6, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Anna F. Barker, 8129 Hemingway Avenue South, Cottage Grove, Washington County, has been appointed by me, effective May 6, 1981, for a term expiring the first Monday in January, 1985.

Moirra Boyne Rummel, 4105 Linden Hills Blvd., Minneapolis, Hennepin County, has been appointed by me, effective May 6, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Education.)

May 6, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointments to the Minnesota Higher Education Facilities Authority are hereby respectfully submitted to the Senate for confirmation as required by law:

Peter H. Seed, 7923 Jamaca Avenue North, Stillwater, Washington County, has been appointed by me, effective May 6, 1981, for a term expiring the first Monday in January, 1982.

Leonard J. Rogge, 2237 Riverwood Place, St. Paul, Ramsey County, has been appointed by me, effective May 6, 1981, for a term expiring the first Monday in January, 1984.

Herbert M. Stellner, Jr., 208 2nd Avenue N.W., Kasson, Dodge County, has been appointed by me, effective May 6, 1981, for a term expiring the first Monday in January, 1984.

(Referred to the Committee on Education.)

July 10, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointment as Commissioner of the Department of Labor and Industry is hereby respectfully submitted to the Senate for confirmation as required by law:

Russell Bruce Swanson, 995 Cliff Road, Eagan, Dakota County, has been appointed by me, effective July 11, 1981, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Employment.)

Sincerely,

Albert H. Quie, Governor

January 29, 1982

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. 1150.

Sincerely,  
Albert H. Quie, Governor

January 29, 1982

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 1982 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 1982	Date Filed 1982
1150		371	January 29	January 29
	1693	Resolution 4	January 29	January 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 House Files, herewith transmitted: H.F. Nos. 1550, 1574 and 1614.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 1, 1982

### FIRST READING OF HOUSE BILLS

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

H.F. No. 1550: A bill for an act relating to the city of Big Falls; authorizing the establishment of detached banking facilities.

Referred to the Committee on Commerce.

H.F. No. 1574: A bill for an act relating to Independent School District No. 084, Sleepy Eye; requiring revision of its certified statutory operating debt.

Referred to the Committee on Education.

H.F. No. 1614: A bill for an act relating to Independent School District No. 708; requiring certification of statutory operating debt.

Referred to the Committee on Education.

### REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now

adopted. The motion prevailed.

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 786: A bill for an act relating to retirement; volunteer firefighters relief associations; authorizing relief associations to increase retirement benefit and service pension amounts without municipal ratification in certain instances; amending Minnesota Statutes 1980, Sections 69.772, Subdivision 6; 69.773, Subdivision 6; and 424A.02, Subdivision 10.

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

Page 1, line 14, delete "*provides*" and insert "*is required to provide*"

Page 1, line 15, after "*association*" insert "*pursuant to this section*"

Page 1, line 27, delete "*does*" and insert "*is*" and after "*not*" insert "*required to*"

Page 2, line 1, after the first "*association*" insert "*pursuant to this section*"

Page 2, line 13, after the period, insert "*If a relief association adopts or amends its articles of incorporation or bylaws without municipal ratification pursuant to this subdivision, and, subsequent to the amendment or adoption, the financial requirements of the special fund of the relief association pursuant to this section are such so as to require financial support from the municipality, the provision which was implemented without municipal ratification shall no longer be effective without municipal ratification and any service pensions or retirement benefits payable after that date shall be paid only in accordance with the articles of incorporation or bylaws as amended or adopted with municipal ratification.*"

Page 2, line 17, delete "*provides*" and insert "*is required to provide*"

Page 2, line 18, after "*association*" insert "*pursuant to this section*"

Page 2, line 26, delete "*does*" and insert "*is*" and after "*not*" insert "*required to*"

Page 2, line 27, after the first "*association*" insert "*pursuant to this section*"

Page 3, line 3, after the period, insert "*If a relief association adopts or amends its articles of incorporation or bylaws without municipal ratification pursuant to this subdivision, and, subsequent to the amendment or adoption, the financial requirements of the special fund of the relief association pursuant to this section are such so as to require financial support from the municipality, the provision which was implemented without municipal ratification shall no longer be effective without municipal ratification and any service pensions or retirement benefits payable after that date shall be paid only in accordance with the articles of incorporation or bylaws as amended or adopted with municipal ratification.*"

Page 3, line 22, delete "*provides*" and insert "*is required to provide*"

Page 3, line 23, after "*association*" insert "*pursuant to section 69.772 or*

69.773"

Page 4, line 5, delete "does" and insert "is" and after "not" insert "required to"

Page 4, line 6; after "association" insert "pursuant to this section"

Page 4, line 23, after the period, insert "If a relief association adopts or amends its articles of incorporation or bylaws without municipal ratification pursuant to this subdivision, and, subsequent to the amendment or adoption, the financial requirements of the special fund of the relief association pursuant to this section are such so as to require financial support from the municipality, the provision which was implemented without municipal ratification shall no longer be effective without municipal ratification and any service pensions or retirement benefits payable after that date shall be paid only in accordance with the articles of incorporation or bylaws as amended or adopted with municipal ratification."

Page 4, line 25, delete "1981" and insert "1982"

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred.

S.F. No. 787: A bill for an act relating to retirement; volunteer firefighters relief associations; financing and benefit amounts; amending Minnesota Statutes 1980, Sections 69.772, Subdivision 2a; 424.01; 424.02; 424.04; 424.16; 424.17; and 424A.02, Subdivisions 3, 7 and 9.

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

Pages 1 and 2, delete section 1 and insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 69.772, Subdivision 2a, is amended to read:

Subd. 2a. [DETERMINATION OF ACCRUED LIABILITY FOR RECIPIENTS OF INSTALLMENT PAYMENTS.] Each firefighters' relief association which pays a lump sum service pension in installment payments to a retired firefighter pursuant to section 424A.02, subdivision 8, shall determine the accrued liability of the special fund of the firefighters' relief association relative to each retired member receiving a lump sum service pension in installment payments calculated individually as the sum of each future installment payment discounted at an interest rate of five percent, compounded annually, from the date the installment payment is scheduled to be paid to December 31. *If the bylaws of the relief association provide for the payment of interest on unpaid installments, the amount of interest, projected to December 31, shall be added to the accrued liability attributable to each retired member.* The sum of the accrued liability attributable to each retired member of the relief association receiving a lump sum service pension in installment payments shall be the total additional accrued liability of the special fund of the relief association as of December 31, and shall be added to the accrued liability of the special fund of the relief association calculated pursuant to subdivision 2 for purposes of calculating the financial requirements of the relief association and the min-

imum obligation of the municipality pursuant to subdivision 3.

To the extent that the commissioner of insurance deems it to be necessary or practical, the commissioner may specify and issue procedures, forms or mathematical tables for use in performing the calculations required pursuant to this subdivision." issue procedures, forms or mathematical tables for use in performing the calculations required pursuant to this subdivision."

Page 2, line 14, after "firefighters" insert "*who are eligible for membership in the relief association pursuant to law*" and strike "each" and insert "a"

Page 3, line 5, strike "he" and insert "*the person*"

Page 3, line 7, strike "he" and insert "*the person*"

Page 3, line 17, after "No" insert "*paid*"

Page 3, line 18, strike "his" and insert "*the*" and after "application" insert "*of the person*"

Page 3, line 34, after the period, insert "*No volunteer firefighter who is more than 35 years of age when appointed to serve in any capacity performing any firefighting duties with a fire department shall become a member of the relief association, except that this age limitation shall not apply on any application for reinstatement in the association.*"

Page 4, line 36, strike "such" and insert "*the*"

Page 5, line 25, strike "such" and insert "*the*"

Page 6, line 16, after "department" insert "*is*"

Page 6, line 18, strike "such" and insert "*the*"

Page 6, line 21, strike "such" and insert "*the*"

Page 6, line 30, strike "such" and insert "*the*" and strike "said" and insert "*the*"

Page 6, line 32, strike "said" and insert "*the*"

Page 6, line 33, strike "such" and insert "*the*"

Page 8, line 6, strike "38" and insert "37"

Page 8, line 7, strike "74" and insert "75"

Page 8, line 10, strike "196" and insert "186"

Page 8, line 11, strike "223" and insert "224"

Page 8, line 14, strike "335" and insert "336"

Page 8, line 15, strike "372" and insert "373"

Page 8, line 16, strike "410" and insert "447"

Page 8, line 17, strike "447" and insert "522"

Page 8, line 18, strike "484" and insert "597"

Page 8, line 19, strike "521" and insert "671"

Page 8, line 20, strike "558" and insert "746"

Page 8, line 21, strike "595" and insert "820"

Page 8, line 22, strike "633" and insert "895"

Page 8, line 23, strike "670" and insert "969"

Page 8, line 24, strike "707" and insert "1044"

Page 8, line 25, strike "744" and insert "1119"

Page 8, line 26, delete "750 or more" and insert "1193" and delete "2 percent of" and insert "16.00"

Page 8, line 27, delete "average financing" and insert:

"1268	17.00
1342	18.00
1417	19.00
1491	20.00
1566	21.00
1640	22.00
1678 or more	22.50"

Page 10, line 10, delete "1,000 or more" and insert "1008" and delete "2.0833 percent of" and insert "2100"

Page 10, line 11, delete "average financing" and insert

"1056	2200
1104	2300
1152	2400
1200	2500
1248	2600
1296	2700
1344	2800
1392	2900
1440 or more	3000"

Page 12, line 30, delete "1981" and insert "1982"

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. 1612: A resolution memorializing the life and work of Sigurd F. Olson.

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

Page 1, line 15, delete "Opening" and insert "Open"

Page 1, line 15, before "and" insert " "The Hidden Forest," "Sigurd F. Olson's Wilderness Days," "

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

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

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.

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

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

S.F. No. 1497: A bill for an act relating to Carlton County; permitting the county to spend a certain sum for promotion of development.

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

Page 1, after line 9, insert:

“Sec. 2. [COOK COUNTY; DEVELOPMENT PROMOTION.]

*The Cook County board may appropriate \$25,000 annually for the purposes of Minnesota Statutes, Section 395.08. This section supersedes the dollar limits provided by section 395.08.”*

Page 1, line 11, before “This” insert “Section 1 of”

Page 1, line 13, after the period, insert “Section 2 of this act is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of Cook County.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after “Carlton” delete “County” and insert “and Cook Counties”

Page 1, line 2, after “the” delete “county” and insert “counties”

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

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

S.F. No. 1514: A bill for an act relating to public works; extending the availability of an appropriation to the city of Cloquet for the purpose of constructing a public water facility; repealing Third Special Session Laws 1981, Chapter 2, Article I, Section 76.

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1239: A bill for an act relating to the operation of state government; authorizing the state board of investment to employ investment management firms to invest certain funds on its behalf; appropriating money; amending Minnesota Statutes 1980, Section 11A.04.

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. 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.

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

Page 1, after line 10, insert:

“Section 1. Minnesota Statutes 1981 Supplement, Section 60C.03, Subdivision 8, is amended 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 ~~August 1, 1981~~ April 30, 1979 by a court of competent jurisdiction, in the insurer’s state of domicile or of this state, under the provisions of 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 1981 Supplement, 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~~ the insurer becomes an insolvent insurer after ~~August 1, 1981~~ April 30, 1979;

(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) 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).”

Page 1, line 22, strike “any” and insert “a”

- Page 2, lines 8, 11, and 21, strike "any" and insert "a"
- Page 2, line 28, delete "*policies*" and insert "*a policy*"
- Page 2, line 28, delete "*cause*" and insert "*causes*"
- Page 2, line 30, delete "*provide*" and insert "*provides*"
- Page 2, line 34, delete "*all*" and insert "*any*"
- Page 2, line 34, delete "*policies*" and insert "*policy*"
- Page 3, line 1, strike "together with" and insert "*and*"
- Page 4, line 2, strike "any" and insert "*the*"
- Page 4, line 4, strike "any" and insert "a"
- Page 4, line 5, after "3" insert a comma
- Page 4, lines 14 and 25, delete "*Any*" and insert "*For a*"
- Page 4, line 36, strike "*Any*" and insert "*The*"
- Page 4, line 36, at the end of the line, strike "any" and insert "a"
- Page 5, lines 1 and 12, strike "any" and insert "a"
- Page 5, line 2, strike "any" in both places and insert "a"
- Page 5, line 15, delete the first comma
- Page 5, line 15, strike "that" and insert a period
- Page 5, line 19, strike "be" and insert "is"
- Page 5, lines 31 and 32, strike "shall be" and insert "is"
- Page 6, line 8, delete the semicolon
- Page 6, line 8, strike "provided" and delete the comma
- Page 6, line 8, strike "that" and after the stricken "such" insert a period
- Page 6, line 10, strike "except that" and insert "*for policies issued prior to April 11, 1974.*"
- Page 6, line 12, strike the second "and" and insert a period
- Page 6, line 17, delete the semicolon
- Page 6, line 17, strike "and provided" and delete the comma
- Page 6, line 18, strike "that" and insert a period
- Page 6, line 21, strike "Provided,"
- Page 6, line 21, strike "that"
- Page 6, line 27, strike "any"
- Page 6, line 29, strike "as may be"
- Page 7, lines 8 and 12, strike "any"
- Page 7, line 14, strike "as may be"
- Page 7, line 25, delete the semicolon and insert a period

Page 7, line 25, strike "provided"

Page 7, line 25, delete the comma and strike "that"

Page 7, line 27, strike ", except that," and insert "for policies issued prior to April 11, 1974."

Page 7, line 29, strike the second "and" and insert a period

Page 7, line 34, strike "Provided,"

Page 7, line 35, strike "however, that"

Page 8, line 3, strike "Provided, further,"

Page 8, line 4, strike "that"

Page 8, line 5, strike "any"

Page 8, line 6, strike "as may be"

Page 8, line 13, strike "any" and insert "a"

Page 8, line 27, delete "shall apply" and insert "applies"

Page 8, line 29, delete "any" and insert "a"

Page 9, lines 4 and 11, delete "be" and insert "is"

Page 9, line 7, delete the semicolon and insert a period

Page 9, line 8, delete "provided, however, that"

Page 9, line 14, delete "shall be" and insert "is"

Page 9, line 22, delete "policies" and insert "a policy"

Page 9, line 22, delete "cause" and insert "causes"

Page 9, line 24, delete "provide" and insert "provides"

Page 9, line 35, delete "any" and insert "a"

Page 11, line 12, after "shall" insert a colon

Page 11, lines 17 and 20, delete "shall"

Page 11, line 23, delete "; provided," and insert a period

Page 11, line 23, delete ", that"

Page 11, line 29, delete the first "any" and insert "a"

Page 11, line 35, delete "any" and insert "a"

Page 12, line 4, delete "any"

Page 12, lines 14 and 22, after the comma insert "including any"

Page 12, lines 16 and 24, delete "promulgated" and insert "adopted"

Page 12, lines 29 and 35, delete "any" and insert "a"

Page 13, lines 4 and 14, delete "any" and insert "a"

Page 13, line 22, delete "such as" and insert "likely"

Page 13, line 28, delete "promulgated" and insert "adopted"

- Page 13, line 31, strike "Any" and insert "A"
- Page 13, lines 32 and 33, strike "any" and insert "a"
- Page 14, line 22, after "section" insert a comma
- Page 14, line 23, strike "any"
- Page 14, line 28, strike "shall" and insert "do"
- Page 15, line 19, strike "which shall be"
- Page 15, line 30, delete "*shall apply*" and insert "*applies*"
- Page 15, line 32, delete "any" and insert "a"
- Page 15, line 35, delete "be" and insert "is"
- Page 17, line 12, delete "Any" and insert "The"
- Page 17, line 14, delete "any" and insert "a"
- Page 17, lines 18 and 19, delete "any"
- Page 18, line 27, after the comma insert "*including any*"
- Page 18, line 29, delete "*promulgated*" and insert "*adopted*"
- Page 19, lines 3 and 26, after the comma insert "*including any*"
- Page 19, lines 5 and 28, delete "*promulgated*" and insert "*adopted*"
- Page 20, line 4, after the comma insert "*including any*"
- Page 20, line 5, delete "*promulgated*" and insert "*adopted*"
- Page 21, line 5, after the comma insert "*including any*"
- Page 21, lines 6 and 17, delete "*promulgated*" and insert "*adopted*"
- Page 21, lines 15 and 35, after the second comma insert "*including any*"
- Page 22, line 1, delete "*promulgated*" and insert "*adopted*"
- Page 22, line 6, strike "any" and insert "a"
- Page 22, line 10, delete the semicolon and insert a period
- Page 22, line 10, strike "provided,"
- Page 23, line 29, delete the first "any"
- Page 23, line 29, delete the second "any" and insert "a"
- Page 28, line 22, delete "*National Association of Insurance Commissioners*" and insert "*commissioner*"
- Page 28, line 27, delete "*is adopted by the National*"
- Page 28, line 28, delete "*Association of Insurance Commissioners and*" and insert "*has been*"
- Page 28, line 29, delete "*promulgated*" and insert "*adopted*"
- Page 29, line 6, strike "any" and after the stricken "such" insert "a"
- Page 29, line 18, strike "provided, however, that" and before "the" insert "but"

Page 29, lines 25 and 32, delete "any" and insert "a"

Page 30, line 35, strike "In no event shall"

Page 31, line 2, after the second comma insert "shall not"

Page 31, line 11, strike "any" in both places and insert "a"

Page 31, line 12, strike "any" and insert "a"

Page 31, line 27, delete "; provided, that" and insert ". However,"

Page 31, line 27, delete "any" and insert "a"

Page 32, line 9, delete "any" and insert "a"

Page 32, line 10, after "annuity" insert "for"

Page 32, line 10, delete "is of a nature that"

Page 32, line 17, delete "promulgated" and insert "adopted"

Page 32, after line 17, insert:

"Sec. 22. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective the day after final enactment."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "modifying the definitions of "insolvent insurer" and "covered claim" for purposes of the insurance guaranty association act;"

Page 1, line 6, after the semicolon, delete "and"

Page 1, line 8, after "subdivisions" insert "; Minnesota Statutes 1981 Supplement, Sections 60C.03, Subdivision 8; and 60C.09, Subdivision 1"

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

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

S.F. No. 832: A bill for an act relating to financial institutions; authorizing the establishment of certain branch banks by banks located in this state; providing for application and approval of branch banks; permitting change of locations and office closings; permitting establishment of branch banks through merger or consolidation; authorizing the acquisition of banks or trust companies located in this state by foreign bank holding companies under certain prescribed conditions; amending Minnesota Statutes 1980, Section 49.34; proposing new law coded in Minnesota Statutes, Chapters 47 and 48; repealing Minnesota Statutes 1980, Section 48.34.

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

Delete everything after the enacting clause and insert:

## "FOREIGN ACQUISITION OF SAVINGS BANKS

Section 1. [49.47] [DEFINITIONS.]

*Subdivision 1. [TERMS.] Unless the language or context clearly indicates that a different meaning is intended, the following terms, for purposes of section 2, have the meanings given.*

*Subd. 2. [ACT.] "Act" means the Federal Bank Holding Company Act of 1956, as amended.*

*Subd. 3. [FOREIGN BANK HOLDING COMPANY.] "Foreign bank holding company" means a company which is defined as a bank holding company under the Act and which conducted its principal banking business in a jurisdiction of the United States other than Minnesota, on May 9, 1956, or on the date on which the company became a bank holding company under the Act, whichever occurred later.*

*Subd. 4. [SAVINGS BANKS.] "Savings bank" means a savings bank on the effective date of this act as defined in section 47.01.*

*Subd. 5. [ACQUISITION.] "Acquisition" means acquiring, directly or indirectly, any voting shares of, interest in, or all or substantially all of the assets of, a savings bank whose principal office is located in this state.*

*Subd. 6. [COMMISSIONER.] "Commissioner" means the commissioner of banks.*

**Sec. 2. [49.48] [AUTHORITY OF FOREIGN BANK HOLDING COMPANIES TO ACQUIRE A SAVINGS BANK.]**

*Subdivision 1. [ACQUISITIONS.] If the commissioner has determined that exigent circumstances exist such that an acquisition of a savings bank is necessary and in the public interest to maintain the continued viability or prevent the probable failure of the savings bank, a foreign bank holding company or a subsidiary of a foreign bank holding company may make the acquisition and thereby engage in the business of banking in this state. The foreign bank holding company and its subsidiaries doing business in this state shall be subject to the provisions of all laws of this state which are applicable to banks and other financial institutions.*

*Subd. 2. [CONVERSION.] To facilitate an acquisition pursuant to this section, the commissioner may convert the charter, form of ownership, or operating powers of a savings bank into the charter, form of ownership, or operating powers of a bank.*

*Subd. 3. [COOPERATION WITH FEDERAL AUTHORITIES.] The commissioner shall participate to the extent permissible with the appropriate federal authorities in an effort to secure a suitable acquirer for a savings bank pursuant to subdivision 1 of this section. The acquiring institution shall be chosen after due consideration is given to the financial institution structure in the state, impact on the insurance fund of the Federal Deposit Insurance Corporation, state and federal antitrust laws, and the convenience and needs of the public.*

**Sec. 3. [EFFECTIVE DATE.]**

*This act is effective the day after final enactment."*

Delete the title in its entirety and insert:

"A bill for an act relating to financial institutions; authorizing the acquisi-

tion of a savings bank located in this state by foreign bank holding companies under certain prescribed conditions; proposing new law coded in Minnesota Statutes, Chapter 49."

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

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

H.F. No. 1552: A bill for an act relating to insurance; extending the temporary joint underwriting association act for an additional six year period; extending the termination date of certain insurance policies; amending Minnesota Statutes 1980, Sections 62F.01, Subdivision 2; and 62F.06, Subdivision 1.

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1617: A bill for an act relating to public welfare; changing liquid asset limits for medical assistance eligibility; amending Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, as amended by a law passed in the 1981 third special session styled as House File No. 2, Article I, Section 32.

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 580: A bill for an act relating to health; providing for an automatic fine in certain instances relating to nursing home inspections; setting a penalty; amending Minnesota Statutes 1980, Section 144A.10; by adding a subdivision.

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 144A.10, Subdivision 6, is amended to read:

Subd. 6. [FINES.] A nursing home which is issued a notice of noncompliance with a correction order shall be assessed a civil fine in accordance with a schedule of fines promulgated by rule of the commissioner of health. The fine shall be assessed for each day the facility remains in noncompliance and until a notice of correction is received by the commissioner of health in accordance with subdivision 7. No fine for a specific violation may exceed \$250 per day of noncompliance; *provided, however, that a fine of twice the amount of the two highest daily fine categories prescribed in rule, up to a limit of \$500 per day, be assessed upon the issuance of a notice of noncompliance with a correction order that is based upon a violation of the same provision of statute or rule found on the second or subsequent of two or more successive inspections.*"

Amend the title as follows:

Page 1, lines 5 and 6, delete "by adding a subdivision" and insert "Sub-division 6"

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. 786, 787, 1497, 1514, 1239, 1424 and 832 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 1612 and 1552 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Kroening moved that S.F. No. 1462 be withdrawn from the Committee on Commerce and re-referred to the Committee on Governmental Operations. The motion prevailed.

Mr. Ramstad moved that S.F. No. 1679 be withdrawn from the Committee on Veterans' Affairs and re-referred to the Committee on General Legislation and Administrative Rules. The motion prevailed.

Mr. Johnson moved that the name of Mr. Rued be added as a co-author to S.F. No. 1375. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Johnson be added as a co-author to S.F. No. 1497. The motion prevailed.

Mr. Dahl moved that the name of Mr. Lindgren be added as a co-author to S.F. No. 1586. The motion prevailed.

Mr. Belanger moved that the name of Mr. Peterson, D.L. be added as a co-author to S.F. No. 1599. The motion prevailed.

Mr. Dicklich moved that the name of Mr. Spear be added as a co-author to S.F. No. 1614. The motion prevailed.

Mr. Dicklich moved that the names of Messrs. Johnson and Penny be added as co-authors to S.F. No. 1680. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Johnson be added as a co-author to S.F. No. 1699. The motion prevailed.

Mr. Knoll moved that the name of Mr. Nelson be added as a co-author to S.F. No. 1703. The motion prevailed.

Mr. Petty moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1707. The motion prevailed.

Mr. Willet moved that the names of Messrs. Merriam and Dahl be added as co-authors to S.F. No. 1714. The motion prevailed.

Mr. Setzpfandt moved that the name of Mr. Wegener be added as a co-author to S.F. No. 1580. The motion prevailed.

Mr. Bertram moved that the name of Mr. Frederickson be added as a co-author to S. F. No. 1499. The motion prevailed.



Mrs. Lantry introduced—

Senate Concurrent Resolution No. 8: A Senate concurrent resolution proclaiming the second week in March as Women's History Week in Minnesota.

Referred to the Committee on Rules and Administration.

Mr. Moe, R.D. introduced—

Senate Concurrent Resolution No. 9: A Senate concurrent resolution providing session deadlines for the legislature pursuant to Joint Rule 2.03.

WHEREAS, Joint Rule 2.03, paragraph (b) requires the legislature to establish session deadline dates for even year sessions that are comparable to odd year sessions; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota, the House of Representatives concurring therein, that committee reports on bills favorably acted upon by a committee in the house of origin after Monday, February 22, 1982, and committee reports on bills originating in the other house favorably acted upon by a committee after Wednesday, March 3, 1982, shall be referred in the Senate to the Committee on Rules and Administration, and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. Referral is not required when a committee, after the earlier date and by the later date set by this paragraph, acts on a bill that is a companion to a bill that has met the earlier deadline in the other house. This requirement does not apply to the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Appropriations and on Taxes.

After Monday, March 8, 1982, neither house shall act on bills other than those contained in:

- (1) Reports of conference committees;
- (2) Messages from the other house;
- (3) Reports of the Committee on Rules and Administration in the Senate or the Committee on Rules and Legislative Administration in the House; or
- (4) Messages from the governor.

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 57 and nays 3, as follows:

Those who voted in the affirmative were:

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

Ms. Berglin; Messrs. Dicklich and Merriam voted in the negative.

The motion prevailed. So the resolution was adopted.

### 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 S.F. No. 832 and that the rules of the Senate be so far suspended as to give S.F. No. 832, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

S.F. No. 832: A bill for an act relating to financial institutions; authorizing the acquisition of a savings bank located in this state by foreign bank holding companies under certain prescribed conditions; proposing new law coded in Minnesota Statutes, Chapter 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

### CALENDAR

S.F. No. 1151: A bill for an act relating to county recorders; providing for the disposal of various obsolete records including state and federal liens; amending Minnesota Statutes 1980, Section 386.46.

Was read the third time 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	Dieterich	Knutson	Pehler	Sikorski
Belanger	Engler	Kroening	Peterson, C.C.	Solon
Benson	Frank	Kronebusch	Peterson, D.L.	Stern
Berglin	Frederick	Langseth	Petty	Stokowski
Bernhagen	Frederickson	Lantry	Pillsbury	Taylor
Bertram	Hanson	Lindgren	Purfeerst	Tennessee
Brataas	Hughes	Luther	Ramstad	Ulland
Chmielewski	Humphrey	Merriam	Renneke	Vega
Dahl	Johnson	Moe, D. M.	Rued	Waldorf
Davies	Kamrath	Moe, R. D.	Schmitz	Wegener
Davis	Keefe	Nelson	Setzepfandt	Willet
Dicklich	Knoll	Olhoft	Sieloff	

So the bill passed and its title was agreed to.

### GENERAL ORDERS

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

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

S.F. Nos. 1231, 1068, 1364, 860, 1538, 1408, 1503, 679 and H.F. No. 583, which the committee recommends to pass.

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

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Petty, Spear and Kroening introduced—

S.F. No. 1715: A bill for an act relating to the city of Minneapolis; permitting the city to change the name of the housing and redevelopment authority; permitting the transfer of certain employees to employment of the housing and redevelopment authority; establishing terms for transfer of the employees; permitting certain employees to purchase service credit from the Minneapolis employees retirement fund; amending Laws 1980, Chapter 595, Section 2, Subdivision 1 and Section 3, by adding a subdivision.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Peterson, C.C. introduced—

S.F. No. 1716: A bill for an act relating to taxation; exempting sales of chances to use gambling devices sold by certain organizations from the sales tax; amending Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivision 1, as amended.

Referred to the Committee on Taxes and Tax Laws.

Mr. Pehler introduced—

S.F. No. 1717: A bill for an act relating to automobile insurance; prohibiting any right of subrogation on underinsurance claims; amending Minnesota Statutes 1980, Section 65B.53, by adding a subdivision.

Referred to the Committee on Commerce.

Mrs. Stokowski and Mr. Kroening introduced—

S.F. No. 1718: A bill for an act relating to the city of Minneapolis; changing limitations on housing programs in two Minneapolis development districts; amending Laws 1971, Chapter 677.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Olhoft, Willet and Rued introduced—

S.F. No. 1719: A bill for an act relating to crimes; requiring mandatory jail sentences and other dispositional alternatives for persons convicted of driving while under the influence of alcohol or a controlled substance; amending Minnesota Statutes 1980, Sections 169.121, by adding subdivisions; 169.123, Subdivision 2; repealing Minnesota Statutes 1980, Section 169.121, Subdivisions 3 and 4; Minnesota Statutes 1981 Supplement, Section 169.121, Subdivision 5.

Referred to the Committee on Judiciary.

Messrs. Ramstad, Keefe and Sieloff introduced—

S.F. No. 1720: A bill for an act relating to probate; validating certain contract, gift, conveyance and trust provisions; proposing new law coded in Minnesota Statutes, Chapter 524.

Referred to the Committee on Judiciary.

Messrs. Ramstad, Hughes and Lindgren introduced—

S.F. No. 1721: A bill for an act relating to education; changing certain notification dates for school districts that educate nonresident pupils; providing that districts of residence are not liable for any billings received after a certain date; amending Minnesota Statutes 1981 Supplement, Section 124.2129, Subdivision 3.

Referred to the Committee on Education.

Messrs. Ashbach, Merriam, Johnson, Frederick and Keefe introduced—

S.F. No. 1722: A bill for an act relating to taxation; providing for reassessment of homestead property damaged by a disaster; appropriating money; proposing new law coded in Minnesota Statutes; Chapter 273.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ashbach introduced—

S.F. No. 1723: A bill for an act relating to retirement; state retirement system; imposing liability for certain omitted employee contributions on the employing department; amending Minnesota Statutes 1980, Section 352.04, Subdivision 8.

Referred to the Committee on Public Employees and Pensions.

Mr. Merriam introduced—

S.F. No. 1724: A bill for an act relating to juveniles; authorizing imposition of fines and other dispositions for children adjudicated delinquent for offenses relating to controlled substances and intoxicating liquors; amending Minnesota Statutes 1980, Sections 152.15, by adding a subdivision; 340.035, Subdivision 2, and by adding a subdivision; 340.73, Subdivision 3, and by adding a subdivision; and 340.732.

Referred to the Committee on Judiciary.

Messrs. Solon and Chmielewski introduced—

S.F. No. 1725: A bill for an act relating to labor; changing the exclusion from minimum wage coverage for certain carnival, circus or fair workers; amending Minnesota Statutes 1980, Section 177.23, Subdivision 7.

Referred to the Committee on Employment.

Messrs. Lindgren, Luther, Ashbach, Merriam and Knutson introduced—

S.F. No. 1726: A bill for an act relating to metropolitan government; providing a salary maximum for metropolitan government employees; amending Minnesota Statutes 1980, Section 15A.081, Subdivision 7.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Frederickson, Langseth, Pehler, Mrs. Brataas and Mr. Stern introduced—

S.F. No. 1727: A bill for an act relating to retirement; second class city police relief associations; eliminating a dollar amount limitation on the payment of salaries to relief association officers; amending Minnesota Statutes 1981 Supplement, Section 423.808.

Referred to the Committee on Public Employees and Pensions.

Mr. Peterson, D.L. introduced—

S.F. No. 1728: A bill for an act relating to education; establishing a limit on the amount of special education aid a district may receive for administrative and other similar personnel; exempting certain stations and facilities from the limit; exempting Independent School District No. 166 from the limit; suspending a rule; granting authority to adopt temporary rules; providing for permanent rules; amending Minnesota Statutes 1981 Supplement, Section 124.32, Subdivision 1.

Referred to the Committee on Education.

Mr. Peterson, D.L. introduced—

S.F. No. 1729: A bill for an act relating to the city of St. James; providing for the calculation of its property tax levy limitation.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson, D.L. introduced—

S.F. No. 1730: A bill for an act relating to education; providing for certain circumstances under which a pupil may attend school in a district which is not the pupil's district of residence; amending Minnesota Statutes 1980, Sections 120.075, Subdivision 4, and by adding subdivisions; repealing Minnesota Statutes 1980, Section 120.075, Subdivisions 1, 2, and 3a.

Referred to the Committee on Education.

Messrs. Frederickson, Schmitz, Ulland, Taylor and Kamrath introduced—

S.F. No. 1731: A bill for an act relating to motor vehicles; providing for

special license plates for former prisoners of war; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 168.

Referred to the Committee on Transportation.

Messrs. Belanger, Kroening, Ashbach, Pehler and Dicklich introduced—

S.F. No. 1732: A bill for an act relating to housing; increasing the number of commissioners for certain housing authorities; increasing per-diem compensation for attendance of commissioners at meetings of the housing authorities; amending Minnesota Statutes 1980, Sections 462.425, Subdivisions 5 and 6; and 462.441.

Referred to the Committee on Governmental Operations.

Messrs. Renneke, Ramstad, Schmitz and Olhoft introduced—

S.F. No. 1733: A bill for an act relating to the military; increasing the minimum pay for enlisted personnel called into active service; amending Minnesota Statutes 1980, Section 192.51, Subdivision 2.

Referred to the Committee on General Legislation and Administrative Rules.

Mrs. Kronebusch, Messrs. Kamrath, Waldorf and Schmitz introduced—

S.F. No. 1734: A bill for an act relating to motor vehicles; authorizing the operation of motorized wheelchairs and motorized golf carts by certain persons on designated roadways of city streets; regulating the operation thereof; amending Minnesota Statutes 1980, Sections 168.012, by adding a subdivision; 169.522; and proposing new law coded in Minnesota Statutes, Chapter 169.

Referred to the Committee on Transportation.

Messrs. Renneke and Berg introduced—

S.F. No. 1735: A bill for an act relating to crimes; providing increased penalties for robbery for narcotics and receipt of stolen goods from a minor; amending Minnesota Statutes 1980, Sections 609.24; 609.245; and 609.53, by adding subdivisions.

Referred to the Committee on Judiciary.

Messrs. Renneke and Hughes introduced—

S.F. No. 1736: A bill for an act relating to Independent School District No. 507, Nicollet; authorizing a transfer of funds collected by referendum levy to reduce statutory operating debt.

Referred to the Committee on Education.

Messrs. Dahl and Petty introduced—

S.F. No. 1737: A bill for an act relating to commerce; providing an energy code compliance warranty applicable to the construction or repair of certain dwellings; proposing new law coded in Minnesota Statutes, Chapter 327A.

Referred to the Committee on Energy and Housing.

Messrs. Merriam, Sikorski, Stern and Taylor introduced—

S.F. No. 1738: A bill for an act relating to crimes; prohibiting possession of obscene works appealing to pedophiles; prescribing penalties; amending Minnesota Statutes 1980, Section 617.246, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Hanson and Langseth introduced—

S.F. No. 1739: A bill for an act relating to taxation; authorizing counties imposing a gravel tax under local law to elect to impose a gravel tax under general law; amending Minnesota Statutes 1981 Supplement, Section 298.76.

Referred to the Committee on Taxes and Tax Laws.

Mr. Davies, Ms. Berglin, Messrs. Merriam and Keefe introduced—

S.F. No. 1740: A bill for an act relating to landlords and tenants; permitting administrators of rental housing to petition the court for certain powers; clarifying the court's discretion to make certain orders; amending Minnesota Statutes 1980, Sections 566.25; and 566.29, Subdivision 4.

Referred to the Committee on Judiciary.

Messrs. Taylor, Langseth, Willet, Pehler and Mrs. Kronebusch introduced—

S.F. No. 1741: A bill for an act relating to education; removing the commissioner of education from the state university board and as secretary of the board; amending Minnesota Statutes 1980, Sections 136.12, Subdivision 1; and 136.13.

Referred to the Committee on Education.

Mr. Taylor, Mrs. Brataas and Mr. Belanger introduced—

S.F. No. 1742: A bill for an act relating to unemployment compensation; establishing a credit week as a percentage of average weekly wages; reducing the minimum tax rate and increasing the maximum tax rate; providing for retroactive tax rate changes; increasing the weeks necessary to establish a claim during favorable economic conditions; providing for the payment of additional benefits and reducing the weeks necessary to establish a claim during unfavorable economic conditions; limiting the maximum benefit amount; eliminating payment of the waiting week; removing the limitation on the deductibility of severance payments; providing for the full deduction of vacation pay, holiday pay, and of military retirement payments; providing for the deduction of secondary social security benefits; providing increased penalties for individuals who quit employment or who are discharged for misconduct; redefining suitable wages for seasonal workers; amending Minnesota Statutes 1980, Sections 268.04, Subdivisions 23 and 29; 268.06, Subdivisions 8 and 19; 268.07, Subdivision 2, and by adding a subdivision; 268.08, Subdivisions 1 and 3; 268.09, Subdivisions 1 and 2; repealing Minnesota Statutes 1980, Section 268.07, Subdivision 4.

Referred to the Committee on Employment.

Messrs. Dicklich and Johnson introduced—

S.F. No. 1743: A bill for an act relating to the environment; prohibiting out-of-state hazardous waste from being brought into the state; prohibiting generation of certain hazardous waste; proposing new law coded in Minnesota Statutes, Chapter 116.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Davis, Johnson, Pehler and Hanson introduced—

S.F. No. 1744: A bill for an act relating to taxation; income tax; property tax refund; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; imposing penalties on a preparer for wilfully understating an income tax liability or wilfully overstating a property tax refund claim; proposing new law coded in Minnesota Statutes, Chapters 290 and 290A.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Engler, Kamrath, Ramstad and Mrs. Kronebusch introduced—

S.F. No. 1745: A bill for an act relating to workers' compensation; prohibiting double recovery for certain permanent partial disabilities; amending Minnesota Statutes 1980, Section 176.101, by adding a subdivision.

Referred to the Committee on Employment.

Ms. Berglin introduced—

S.F. No. 1746: A bill for an act relating to state contracts; rules governing eligibility for award of small business set aside contracts; amending Minnesota Statutes 1980, Section 16.085.

Referred to the Committee on Governmental Operations.

Mr. Willet introduced—

S.F. No. 1747: A bill for an act relating to natural resources; extending the time during which the commissioner of natural resources may extend timber permits; amending Laws 1981, Chapter 305, Section 11.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Schmitz, Renneke and Bernhagen introduced—

S.F. No. 1748: A bill for an act relating to the city of Wacōnia; authorizing the sale of certain revenue bonds at a price less than par value.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Wegener, Bernhagen, Belanger, Menning and Benson introduced—

S.F. No. 1749: A bill for an act relating to local improvements; providing the method for action on certain improvements by certain towns; amending Minnesota Statutes 1980, Section 429.011, Subdivision 2b.

Referred to the Committee on Local Government and Urban Affairs.



Messrs. Engler; Peterson, D.L.; Ulland; Bernhagen and Frederick introduced—

S.F. No. 1750: A bill for an act relating to taxation; exempting from the motor vehicle excise tax certain purchases of motorized bicycles for resale; amending Minnesota Statutes 1980, Section 297B.035, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Penny introduced—

S.F. No. 1751: A bill for an act relating to drainage; increasing certain authorized repair expenditures; amending Minnesota Statutes 1980, Section 106.471, Subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Stumpf introduced—

S.F. No. 1752: A bill for an act relating to elections; recodifying municipal elections law; amending Minnesota Statutes 1980, Sections 205.02; 205.07, Subdivision 1; 205.13, as amended; 205.16; 205.17, as amended; 205.20, as amended; and 205.84; Minnesota Statutes 1981 Supplement, Section 205.10; proposing new law coded in Minnesota Statutes, Chapter 205; repealing Minnesota Statutes 1980, Sections 205.021; 205.04; 205.11, Subdivisions 1, 2, 3, 4 and 5; 205.14, Subdivisions 1, 2 and 3; 205.18; and 205.19; and Minnesota Statutes 1981 Supplement, Sections 205.03; 205.10; 205.11, Subdivision 4a; 205.121; 205.14, Subdivision 4; and 205.15.

Referred to the Committee on Elections and Reapportionment.

Mr. Stumpf introduced—

S.F. No. 1753: A bill for an act relating to elections; providing for experimental mail elections; proposing new law coded in Minnesota Statutes, Chapter 204B.

Referred to the Committee on Elections and Reapportionment.

Mrs. Brataas, Messrs. Chmielewski, Taylor and Belanger introduced—

S.F. No. 1754: A bill for an act relating to the military; precluding the payment of workers' compensation when a member is not paid from state funds; amending Minnesota Statutes 1981 Supplement, Section 176.011, Subdivision 9.

Referred to the Committee on Employment.

Messrs. Luther, Tennessen, Davies and Merriam introduced—

S.F. No. 1755: A bill for an act relating to crimes; establishing the crime of commercial bribery; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 609.

Referred to the Committee on Judiciary.

Mr. Dicklich introduced—

S.F. No. 1756: A bill for an act relating to Independent School District No. 699; requiring certification of statutory operating debt.

Referred to the Committee on Education.

Mr. Waldorf, by request, introduced—

S.F. No. 1757: A bill for an act relating to the legislature; reducing the senate from 67 to 50 members and the house of representatives from 135 to 100 members; amending Minnesota Statutes 1980, Section 2.021.

Referred to the Committee on Rules and Administration.

Messrs. Hanson, Pehler, Dahl, Merriam and Johnson introduced—

S.F. No. 1758: A bill for an act relating to controlled substances; prohibiting conspiracies to violate controlled substances laws; prescribing penalties; proposing new law coded in Minnesota Statutes 1980, Chapter 152.

Referred to the Committee on Judiciary.

Messrs. Hughes, Langseth, Rued, Taylor and Davis introduced—

S.F. No. 1759: A bill for an act relating to education; establishing a legislative commission on education mandates; requiring a review of all state education mandates; requiring submission of a report to the legislature.

Referred to the Committee on Education.

Messrs. Bertram, Langseth, Rued, Setzepfandt and Peterson, D.L. introduced—

S.F. No. 1760: A bill for an act relating to natural resources; setting a limit on acquisition of land from a single owner as an activity area for land disposal of hazardous waste; proposing new law coded in Minnesota Statutes, Chapter 115A.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Solon, Spear and Ashbach introduced—

S.F. No. 1761: A bill for an act relating to credit unions; providing for approval of amendments to certificates of organization and bylaws; authorizing the board of directors to appoint a credit committee or a credit manager; prescribing the powers of a credit committee and credit manager; amending Minnesota Statutes 1980, Section 52.02; 52.08; 52.09, Subdivision 2; and 52.10.

Referred to the Committee on Commerce.

Messrs. Hanson, Willet and Wegener introduced—

S.F. No. 1762: A bill for an act relating to natural resources; requiring

payment of interest on late refunds to timber sale permit holders; authorizing reappraisal of damaged or destroyed timber sold under a permit; authorizing settlement of permit obligations when a permittee is incapacitated or deceased; amending Minnesota Statutes 1980, Section 90.201.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Setzepfandt, Frederickson, Lessard, Renneke and Taylor introduced—

S.F. No. 1763: A bill for an act relating to local government; establishing a board to implement and administer a plan for a segment of the Minnesota river in Blue Earth, Brown, Le Sueur, Nicollet, Redwood and Renville counties.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Setzepfandt, Davis, Frederickson, Berg and Penny introduced—

S.F. No. 1764: A bill for an act relating to local government; removing towns from general levy limits; amending Minnesota Statutes 1981 Supplement, Section 275.50, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Engler, Kamrath, Rued, Renneke and Mrs. Kronebusch introduced—

S.F. No. 1765: A bill for an act relating to game and fish; removing the restriction upon issuance of wild turkey licenses; amending Minnesota Statutes 1980, Section 100.271, Subdivision 3a.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Pehler, Johnson, Menning, Langseth and Peterson, C.C. introduced—

S.F. No. 1766: A bill for an act relating to taxation; making technical corrections and administrative changes to the income tax and property tax refund; amending Minnesota Statutes 1980, Sections 290.012, Subdivision 2; 290.02; 290.03; 290.06, Subdivisions 9 and 9a; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivision 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.36; 290.45, Subdivision 1; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.53, by adding a subdivision; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivision 13; 290.93, Subdivision 9; 290.936; 290A.11, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivisions 20 and 27; 290.05, Subdivisions 1 and 4; 290.075; 290.081; 290.09, Subdivisions 2, 4, and 15; 290.091; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.18, Subdivisions 1 and 2; 290.21, Subdivision 3; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.92, Subdivisions 2a, 5, 5a, and 6; 290.93, Subdivisions 1 and 10; 290.9725; 290.974; 290A.03, Subdivisions 3 and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; proposing new law coded in Minnesota Statutes,

Chapter 290; repealing Minnesota Statutes 1980, Sections 62E.03, Subdivision 2; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.973; and Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6; 290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; and 290.971, Subdivision 7.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Merriam, Johnson and Pehler introduced—

S.F. No. 1767: A bill for an act relating to taxation; income tax; providing for allocation of income for nonresident athletes and entertainers; providing for apportionment of income for athletic teams; providing for withholding; amending Minnesota Statutes 1980, Sections 290.19, Subdivision 1; and 290.92, Subdivision 4a; and Minnesota Statutes 1981 Supplement, Section 290.17, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson, Dicklich, Rued, Hanson and Chmielewski introduced—

S.F. No. 1768: A bill for an act relating to counties; fixing conditions for the operation of waste facilities; amending Minnesota Statutes 1980, Section 400.16.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Sikorski introduced—

S.F. No. 1769: A bill for an act relating to public welfare; providing for approval of mental health clinics and centers pending promulgation of permanent rules.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Luther, Ramstad, Peterson, C.C.; Willet and Nelson introduced—

S.F. No. 1770: A bill for an act relating to highway traffic regulations; revising procedures for hearings and appeals on driver license revocations for failure to submit to chemical testing or for exceeding prescribed alcohol concentrations; amending Minnesota Statutes 1980, Section 169.123, Subdivisions 5, 5a, 6, and by adding a subdivision.

Referred to the Committee on Judiciary.

Ms. Berglin and Mr. Solon introduced—

S.F. No. 1771: A bill for an act relating to public welfare; providing for a mechanism in the program of aid to families with dependent children to minimize certain recipients' incentives to quit work; amending Minnesota Statutes 1980, Section 256.74, Subdivision 1, as amended.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Peterson, C.C. and Hanson introduced—

S.F. No. 1772: A bill for an act relating to state departments and agencies; transferring the duties of the former department of economic development to the secretary of state; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 5.

Referred to the Committee on Governmental Operations.

Messrs. Hanson, Stumpf, Schmitz, Merriam and Spear introduced—

S.F. No. 1773: A bill for an act relating to elections; proposing an amendment to the Minnesota Constitution, Article VII, Section 9, to limit campaign expenditures by candidates for the United States senate and house of representatives; providing implementing legislation; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 13, and by adding a subdivision; 10A.20, Subdivision 3a, and by adding a subdivision; 10A.22, by adding a subdivision; 10A.25, Subdivisions 5, 6, 7, 10, and by adding a subdivision; 10A.27; 10A.275; 10A.28, Subdivisions 1 and 2; 10A.31, Subdivisions 2 and 7; and 10A.335; Minnesota Statutes 1981 Supplement, Sections 10A.255, Subdivision 1; and 10A.31, Subdivisions 1, 3, and 5.

Referred to the Committee on Elections and Reapportionment.

Messrs. Johnson; Peterson, C.C.; Moe, R.D. and Ashbach introduced—

S.F. No. 1774: A bill for an act relating to taxation; sales; exempting paper plant material; proposing new law coded in Minnesota Statutes, Chapter 297A.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Spear and Solon introduced—

S.F. No. 1775: A bill for an act relating to health; providing for grants to certain maternal and child health care programs; proposing new law coded in Minnesota Statutes, Chapter 144.

Referred to the Committee on Health, Welfare and Corrections.

Ms. Berglin, Messrs. Pehler, Belanger and Bernhagen introduced—

S.F. No. 1776: A bill for an act relating to local government aid; requiring a portion of the state general fund to be distributed for local government aid; providing for payment of local government aid; requiring the commissioner of revenue to estimate payments; authorizing the delay of 1982 aid payments; appropriating money; amending Minnesota Statutes 1981 Supplement, Sections 477A.014, Subdivision 1; 477A.015; and 477A.03.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin, Messrs. Belanger and Bernhagen introduced—

S.F. No. 1777: A bill for an act relating to local government aid; requiring a portion of sales tax collections to be distributed for local government aid;

providing for payment of local government aid; requiring the commissioner of revenue to estimate payments; appropriating money; amending Minnesota Statutes 1981 Supplement, Sections 477A.014, Subdivision 1; 477A.015; and 477A.03.

Referred to the Committee on Taxes and Tax Laws.

Mr. Menning introduced—

S.F. No. 1778: A bill for an act proposing an amendment to the Minnesota Constitution, Article VI, Section 8; providing for an election to be called to fill vacancies in the office of judge; amending Minnesota Statutes 1980, Sections 487.03, Subdivision 5; 488A.021, Subdivision 3; 488A.19, Subdivision 3; and 525.052.

Referred to the Committee on Judiciary.

Mr. Waldorf introduced—

S.F. No. 1779: 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.

Referred to the Committee on Commerce.

Mr. Willet introduced—

S.F. No. 1780: A bill for an act relating to highway traffic regulations; allowing the use of certain combinations of vehicles; allowing certain axle weight combinations; establishing allowable axle weight combinations; establishing allowable axle weights on restricted routes; modifying the distribution of receipts collected as fines; amending Minnesota Statutes 1981 Supplement, Sections 169.81, Subdivision 3; 169.825, Subdivisions 8, 10, and 12; 299D.03, Subdivision 5; repealing Minnesota Statutes 1981 Supplement, Section 169.861.

Referred to the Committee on Transportation.

Messrs. Stern; Moe, R.D.; Luther; Sikorski and Pehler introduced—

S.F. No. 1781: A bill for an act relating to taxation; providing for conformity to federal income tax treatment of contributions to individual retirement accounts and Keogh plans; amending Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Nelson and Peterson, D.L. introduced—

S.F. No. 1782: A bill for an act relating to education; establishing limitations on appropriations for higher education interstate tuition reciprocity agreements; declaring legislative intention to discontinue appropriating money for higher education interstate tuition reciprocity agreements; providing that continuing students shall remain eligible for remission on nonresident tuition; requiring the higher education coordinating board to determine categories of

students eligible for remission of nonresident tuition; encouraging discontinuance of courses of study and schools when duplication exists in this state and adjacent states when economically advantageous; amending Minnesota Statutes 1980, Sections 136A.04, Subdivision 1; and 136A.08; Laws 1981, Chapter 359, Section 3, Subdivision 6.

Referred to the Committee on Education.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, February 8, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTY-NINTH DAY

St. Paul, Minnesota, Monday, February 8, 1982

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. Roger Carroll.

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

Ashbach	Dicklich	Kroening	Peterson, C.C.	Spear
Bang	Dieterich	Kronebusch	Peterson, D.L.	Stern
Belanger	Engler	Langseth	Peterson, R.W.	Stokowski
Benson	Frank	Lantry	Petty	Stumpf
Berg	Frederick	Lindgren	Purfecrst	Taylor
Berglin	Frederickson	Luther	Ramstad	Ulland
Bernhagen	Hughes	Merriam	Renneke	Vega
Bertram	Humphrey	Moe, D.M.	Rued	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Chmielewski	Kamrath	Nelson	Setzpfandt	Willet
Dahl	Keefe	Olhoft	Sieloff	
Davies	Knoff	Pehler	Sikorski	
Davis	Knutson	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. Hanson, Lessard, Menning, Pillsbury and Tennesen were excused from the Session of today. Mr. Stern was excused from the Session of today until 11:30 a.m. Mr. Humphrey was excused from the Session of today at 11:40 a.m.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated.

June 5, 1981

The Honorable Jack Davies  
President of the Senate



Dear Sir:

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

Kenneth Strom, 807 W. Oakland Avenue, Austin, Mower County, has been appointed by me, effective June 5, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Judiciary.)

June 18, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

David Y. Morris, 2990 Casco Point Road, Wayzata, Hennepin County, has been appointed by me, effective June 18, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Public Employees and Pensions.)

June 24, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointment to the Capitol Area Architectural and Planning Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Virginia Olson, 12929 Maywood Lane, Hopkins, Hennepin County, has been appointed by me, effective July 1, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Governmental Operations.)

July 1, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Demetrius G. Jelatis, 1161 Oak Street, Red Wing, Goodhue County, has been appointed by me, effective July 1, 1981, for a term expiring the first Monday in January, 1983.

J. Mark Wedel, 515 Sixth Avenue SE, Aitkin, Aitkin County, has been appointed by me, effective July 1, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Energy and Housing.)

July 27, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Tony Perpich, Route 1, Box 379A, Eveleth, St. Louis County, has been appointed by me, effective July 27, 1981, for a term expiring the first Monday in January, 1984.

(Referred to the Committee on Commerce.)

September 15, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Christine P. Fritsche, Route 4, Box 79, Marshall, Lyon County, has been appointed by me, effective September 15, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Education.)

January 4, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Kenneth E. Neeser, Route 1, St. Cloud, Benton County, has been appointed by me, effective January 4, 1982, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on Agriculture and Natural Resources.)

January 4, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Martin J. Pinkney, 419-15th Street North, Moorhead, Clay County, has been appointed by me, effective January 4, 1982, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on Commerce.)

January 4, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointment to the Capitol Area Architectural and Planning Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Thomas G. Reichert, 1229-13th Avenue North, St. Cloud, Stearns County, has been appointed by me, effective January 4, 1982, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on Governmental Operations.)

January 4, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Lauren Larsen, 109 E. Anoka Street, Duluth, St. Louis County, has been appointed by me, effective January 4, 1982, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on Agriculture and Natural Resources.)

January 4, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointment to the Minnesota Higher Education Facilities Authority is hereby respectfully submitted to the Senate for confirmation as required by law:

Peter H. Seed, 7923 Jamaca Avenue North, Stillwater, Washington County, has been appointed by me, effective January 4, 1982, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on Education.)

January 4, 1982

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:

Duane R. Ekman, Route 1, Argyle, Marshall County, has been appointed by me, effective January 4, 1982, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on Agriculture and Natural Resources.)

January 4, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

John F. Campe, 8 Camelsback Road, New Ulm, Brown County, has been appointed by me, effective January 4, 1982, for a term expiring the first Monday in January, 1986.

David L. Printy, 75 Rhode Island Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective January 4, 1982, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on Employment.)

Sincerely,

Albert H. Quie, Governor

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 9: A Senate concurrent resolution providing session deadlines for the legislature pursuant to Joint Rule 2.03.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 4, 1982

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S.F. No. 832.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 4, 1982

### 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. Schmitz from the Committee on Veterans' Affairs, to which was referred

S.F. No. 1508: A bill for an act relating to veterans; establishing information and referral assistance programs; authorizing limited studies; mandating annual reports; establishing an Agent Orange information and assistance section in the department of veterans affairs; providing Agent Orange information to health professionals; providing genetic information and counseling; classify-

ing certain information as confidential; authorizing certain class actions; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 196.

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

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

S.F. No. 70: A bill for an act relating to evidence; limiting the legislative history admissible to determine legislative intent; amending Minnesota Statutes 1980, Section 645.16.

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

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

S.F. No. 412: A bill for an act relating to commerce; providing that state exemptions allowed a debtor in bankruptcy proceedings are exclusive; proposing new law coded in Minnesota Statutes, Chapter 550.

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

Delete everything after the enacting clause and insert:

“Section 1. [550.371] [EXEMPTIONS IN JOINT BANKRUPTCY.]

*Subdivision 1. [APPLICABLE LAW.] Except as provided in this section, the exemptions set forth in subsection (d) of Section 522 of the Bankruptcy Act, 11 United States Code Section 522(d), shall be available to residents of this state.*

*Subd. 2. [JOINT PETITION.] When a husband and wife are joined in a petition for bankruptcy, they may jointly elect to utilize either the applicable exemption provisions pursuant to Minnesota law or pursuant to subsection (d) of Section 522 of the Bankruptcy Act, 11 United States Code Section 522(d), but not both.*

*Subd. 3. [INDIVIDUAL PETITION.] When a petition for bankruptcy is filed individually, and not jointly, for a husband or a wife, (a) one spouse shall not claim any exemption pursuant to Minnesota law if the other spouse has claimed any exemption under subsection (d) of Section 522 of the Bankruptcy Act, 11 United States Code Section 522(d); and (b) one spouse shall not claim any exemption pursuant to subsection (d) of Section 522 of the Bankruptcy Act, 11 United States Code Section 522(d), if the other spouse has claimed any exemption pursuant to Minnesota law.*

*Subd. 4. [MARITAL STATUS DETERMINED.] For the purposes of this section, persons shall be considered to be husband and wife if they are married at the time of the filing of the first individual or joint petition for bankruptcy by either of them unless a decree of separation or temporary order of separation of the parties is issued prior to the time the petition is filed.*

Sec. 2. [EFFECTIVE DATE.]

*This act shall be effective the day following final enactment and shall apply to bankruptcies filed on or after that date.”*

Amend the title as follows:

Page 1, line 2, delete "state" and insert "married couples filing petitions in bankruptcy select either state or federal"

Page 1, delete line 3

Page 1, line 4, delete "exclusive"

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

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

S.F. No. 1088: A bill for an act relating to real property; providing for the registration of certain possessory estates in real property without court proceedings; providing for a changeover from a certificate of possessory title to a certificate of title after a certain number of years; proposing new law coded as Minnesota Statutes, Chapter 508A.

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

Page 1, lines 14 and 25, delete "*Minnesota Statutes,*"

Page 2, line 33, delete "*Minnesota Statutes,*"

Page 3, line 7, delete "*Minnesota Statutes,*"

Page 3, line 27, delete "*therein*" and insert "*in it*"

Page 3, line 35, delete "*thereof*" and insert "*of it*"

Page 4, lines 3 and 11, delete "*such*" and insert "*the*"

Page 4, line 13, delete "*wherein*" and insert "*in which*"

Page 4, line 16, delete "*may*" and insert "*shall*"

Page 4, lines 18 and 36, delete "*the same*" and insert "*it*"

Page 4, line 20, delete "*that term is*"

Page 4, line 26, delete "*therein*" and insert "*in it*"

Page 4, line 27, delete "*therein*"

Page 4, line 27, after "*agree*" insert "*in it*"

Page 5, line 21, delete "*wherein*" and insert "*in which*"

Page 5, line 26, delete "*may be*"

Page 5, line 28, delete "*where*" and insert "*when*"

Page 6, line 25, delete "*Minnesota Statutes,*"

Page 6, line 26, before the period, insert "*and shall hold office and be compensated as provided in that section*"

Page 7, line 22, delete "*thereof*" and insert "*of mailing*"

Page 8, lines 25 and 26, delete "*Minnesota Statutes,*"

Page 8, line 35, delete "*thereof*"

Page 9, lines 4, 17 and 20, delete "*thereof*" and insert "*of it*"

- Page 9, line 19, delete "*Minnesota Statutes,*"
- Page 10, line 6, delete "*thereof*" and insert "*of it*"
- Page 10, line 8, delete "*thereby*" and insert "*which are*"
- Page 10, line 25, delete "*thereupon*" and insert "*then*"
- Page 11, line 5, delete "*Minnesota Statutes,*"
- Page 11, lines 6 and 7, delete "*Minnesota Statutes,*"
- Page 11, line 17, delete "*therein*" and insert "*in it*"
- Page 11, line 36, delete "*thereunder*" and insert "*under it*"
- Page 12, line 27, delete "*such*" and insert "*the*"
- Page 13, line 9, delete "*the same*" and insert "*it*"
- Page 13, line 12, delete "*thereof*" and insert "*of it*"
- Page 13, line 35, delete "*Minnesota Statutes,*"
- Page 14, lines 6 and 10, delete "*thereof*" and insert "*of it*"
- Page 15, line 26, delete "*Minnesota Statutes,*"
- Page 16, line 2, delete "*carryforward*" and insert "*carry forward*"
- Page 16, lines 8, 14, 24 and 27, delete "*Minnesota Statutes,*"
- Page 16, line 13, delete "*thereto*" and insert "*to it*"
- Page 16, line 19, delete "*the same*" and insert "*it*"
- Page 16, lines 19 and 29, delete "*thereof*" and insert "*of it*"
- Page 16, line 25, delete "*thereof*" and insert "*of them*"
- Page 16, line 26, delete "*of the same, which*" and insert "*as they have.*  
*The*"
- Page 16, line 29, delete "*likewise*" and insert "*also*"
- Page 17, lines 2 and 26, delete "*the same*" and insert "*it*"
- Page 17, line 4, delete "*Minnesota Statutes,*"
- Page 17, line 19, delete "*aforesaid*" and insert "*required*"
- Page 17, lines 21 and 25, delete "*thereof*" and insert "*of it*"
- Page 18, line 6, delete "*therein*" and insert "*in it*"
- Page 18, line 11, delete "*the same and thereupon*" and insert "*them.*"
- Page 18, line 11, after the second "*may*" insert "*then*"
- Page 18, line 12, delete "*therefor*" and insert "*for them*"
- Page 18, line 14, delete "*the*"
- Page 18, line 15, delete "*same, and thereupon*" and insert "*them.*"
- Page 18, line 15, after "*may*" insert "*then*"
- Page 18, line 17, delete "*may*"

- Page 18, line 18, delete "*desire*" and insert "*desires*"
- Page 18, line 27, delete "*thereto*" and insert "*to it*"
- Page 18, line 36, delete "*such*"
- Page 19, lines 5 and 31, delete "*thereto*" and insert "*to it*"
- Page 19, line 31, delete "*make application therefor*" and insert "*apply for it*"
- Page 20, line 10, delete "*the same*" and insert "*it*"
- Page 20, lines 14 and 32, delete "*thereof*" and insert "*of it*"
- Page 21, line 1, delete "*, which*" and insert "*. The*"
- Page 21, line 6, delete "*in*"
- Page 21, line 7, delete "*addition thereto*"
- Page 21, line 29, delete "*thereof*" and insert "*of them*"
- Page 22, line 3, delete "*, and such*" and insert "*. The*"
- Page 22, lines 7 and 35, delete "*thereon*" and insert "*on it*"
- Page 22, lines 8 and 36, delete "*thereto*" and insert "*to it*"
- Page 22, line 16, delete "*, which*" and insert "*. The copy*"
- Page 23, lines 6, 28 and 32, delete "*thereof*" and insert "*of it*"
- Page 24, line 14, delete "*therewith*" and insert "*with it*"
- Page 24, lines 16 and 31, delete "*thereof*" and insert "*of it*"
- Page 24, line 17, delete "*thereby*"
- Page 25, line 5, delete "*thereon*" and insert "*on it*"
- Page 26, line 6, after "*discretion*" insert a comma
- Page 26, line 11, delete "*therein*"
- Page 26, line 11, after "*noted*" insert "*in it*"
- Page 26, line 15, delete the semicolon and insert a period
- Page 26, line 28, delete "*the same*" and insert "*it*"
- Page 27, line 9, delete "*the*" and insert "*its*"
- Page 27, line 9, delete "*of same*"
- Page 27, line 30, delete "*therewith*"
- Page 27, line 31, after "*presented*" insert "*with it*"
- Page 27, line 36, delete "*thereof*" and insert "*of it*"
- Page 28, line 1, delete "*thereof shall*" and insert "*of it*"
- Page 28, lines 2, 12, 16, 18, 27 and 33, delete "*thereof*" and insert "*of it*"
- Page 28, line 18, delete "*therein*"
- Page 28, lines 29 and 32, delete "*thereupon*" and insert "*then*"



- Page 29, lines 4, 5, 9, 10, 18, 32 and 35, delete "thereof" and insert "of it"
- Page 29, lines 9, 30 and 32, delete "therein" and insert "in it"
- Page 29, line 11, delete "may be" and insert "is"
- Page 29, line 11, delete ", and" and insert a period
- Page 29, line 22, delete "the same" and insert "it"
- Page 29, line 24, delete "thereto" and insert "to it"
- Page 30, line 20, delete "; the fees, however," and insert ". However, the fees"
- Page 30, line 21, delete "to" and insert "shall"
- Page 30, line 31, delete "thereof" and insert "of it"
- Page 31, lines 11 and 18, delete "thereupon" and insert "then"
- Page 31, line 30, delete ", and," and insert a period
- Page 32, line 6, delete "the same" and insert "it"
- Page 32, line 27, delete "thereof" and insert "of it"
- Page 33, line 6, delete "therein" and insert "in it"
- Page 33, line 7, delete "thereto" and insert "to it"
- Page 33, lines 10 and 11, delete "be" and insert "is"
- Page 33, lines 11 and 16, delete "the same" and insert "it"
- Page 33, line 12, delete ", and thereupon" and insert a period and after "shall" insert "then"
- Page 33, line 20, after "assigning" delete "the"
- Page 33, line 21, delete "same" and insert "it"
- Page 33, line 21, delete the comma at the end of the line
- Page 33, line 22, delete "and thereupon" and insert a period
- Page 33, line 22, after "shall" insert "then"
- Page 33, lines 17 and 24, delete "thereto" and insert "to it"
- Page 33, line 33, delete "Minnesota Statutes,"
- Page 34, line 11, delete "the" and insert "its"
- Page 34, line 11, delete "thereof"
- Page 34, lines 16 and 29, delete "thereof" and insert "of it"
- Page 34, line 36, delete "thereon" and insert "on it"
- Page 35, line 9, delete "thereon" and insert "on it"
- Page 35, line 15, delete "the same" and insert "it"
- Page 35, line 29, delete "such" and insert "the"
- Page 36, line 4, delete "; and" and insert a period
- Page 36, line 22, delete "thereof" and insert "of it"

Page 37, lines 3 and 32, delete "therein" and insert "in it"

Page 37, line 4, delete "such" and insert "the"

Page 37, line 6, delete "so"

Page 37, lines 7 and 33, delete "thereof" and insert "of it"

Page 37, line 11, delete the comma

Page 37, line 12, delete "and" and insert a period

Page 37, line 23, delete "thereto" and insert "to it"

Page 38, lines 3 and 24, delete "therein" and insert "in it"

Page 38, line 16, delete "be" and insert "is"

Page 38, line 29, delete "thereon" and insert "on it"

Page 38, line 30, delete "Thereupon"

Page 38, line 31, after "shall" insert "then"

Page 38, line 35, delete "thereof" and insert "on it"

Page 40, lines 9 and 14, delete "thereof" and insert "of it"

Page 40, lines 11 and 15, delete "therewith" and insert "with it"

Page 40, line 19, delete "thereof" and insert "of them"

Page 40, line 28, delete "such" and insert "the"

Page 40, line 29, delete "as"

Page 41, lines 3, 5 and 34, delete "Minnesota Statutes,"

Page 41, line 20, after "years" insert a comma

Page 41, line 21, delete "thereof" and insert "of them"

Page 41, line 24, delete "thereof," and insert "of it"

Page 42, line 13, delete "carryforward" and insert "carry forward"

Page 42, lines 17, 28 and 29, delete "Minnesota Statutes,"

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

Mr. Olhoff from the Committee on General Legislation and Administrative Rules, to which was referred

S.F. No. 303: A bill for an act proposing an amendment to the Minnesota Constitution, Article X, adding a section; authorizing and taxing parimutuel wagering on races if authorized by law.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Judiciary. Report adopted.

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1539: A bill for an act relating to state collective bargaining units; adopting a modified unit composition schedule for state employees; amending

Minnesota Statutes 1980, Section 179.741, Subdivision 1.

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1481: A bill for an act relating to state government; providing a one time early retirement insurance benefit option for certain state employees; amending Minnesota Statutes 1981 Supplement, Section 43A.24, Subdivision 2.

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

Page 2, line 26, after "(h)" insert "*Notwithstanding section 43A.27, subdivision 3,*"

Page 2, line 30, delete "*July 1*" and insert "*March 1*"

Page 2, line 30, after "*October 1, 1982*" insert "*, or an employee, who has at least 20 years of state service and retires, earlier than required, from employment at Rochester state hospital after July 1, 1981*"

Page 2, line 31, delete "*70*" and insert "*65*"

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

Mr. Knoll from the Committee on Governmental Operations, to which were referred the following appointments as reported in the Journal for April 27, 1981:

#### METROPOLITAN COUNCIL

Dean T. Maschka  
Thomas W. Newcome  
Joan Campbell  
Alton J. Gasper  
Patricia Hasselmo  
Roger H. Scherer  
Mary M. Hauser  
William G. Sando

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.

Mr. Knoll from the Committee on Governmental Operations, to which was referred the following appointment as reported in the Journal for May 14, 1981:

#### METROPOLITAN COUNCIL

John F. Bergford, Jr.

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. 70, 412, 1088, 1539 and 1481 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Lindgren moved that the names of Messrs. Luther, Belanger and Peterson, D.L. be added as co-authors to S.F. No. 1491. The motion prevailed.

Mr. Wegener moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1676. The motion prevailed.

Mr. Penny moved that the name of Mr. Knutson be added as a co-author to S.F. No. 1712. The motion prevailed.

Mr. Willet moved that the names of Messrs. Johnson and Bernhagen be added as co-authors to S.F. No. 1714. The motion prevailed.

Mrs. Kronebusch moved that the name of Mrs. Lantry be added as a co-author to S.F. No. 1734. The motion prevailed.

Ms. Berglin moved that the names of Mr. Sikorski and Mrs. Lantry be added as co-authors to S.F. No. 1771. The motion prevailed.

Mr. Johnson moved that the name of Mr. Lessard be added as a co-author to S.F. No. 1774. The motion prevailed.

Mr. Luther moved that the name of Mr. Humphrey be added as a co-author to S.F. No. 1755. The motion prevailed.

Mr. Lindgren moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 1312. The motion prevailed.

## CALENDAR

S.F. No. 679: A bill for an act relating to eminent domain; providing for the computation of interest rates on damages; amending Minnesota Statutes 1980, Section 117.195.

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 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

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.

Was read the third time 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	Knutson	Pehler	Solon
Bang	Dieterich	Kroening	Peterson, C. C.	Spear
Belanger	Engler	Kronebusch	Peterson, D. L.	Stokowski
Benson	Frank	Langseth	Peterson, R. W.	Stumpf
Berg	Frederick	Lantry	Petty	Taylor
Berglin	Frederickson	Lindgren	Purfeerst	Ulland
Bernhagen	Hughes	Luther	Ramstad	Vega
Bertram	Humphrey	Merriam	Renneke	Waldorf
Brataas	Johnson	Moe, D. M.	Rued	Wegener
Chmielewski	Kamrath	Moe, R. D.	Schmitz	Willet
Dahl	Keefe	Nelson	Setzepfandt	
Davies	Knoll	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1231: A bill for an act relating to waters; exempting certain watercraft from requirements related to personal flotation devices; amending Minnesota Statutes 1980, Section 361.141, 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 37 and nays 23, as follows:

Those who voted in the affirmative were:

Ashbach	Dahl	Kronebusch	Petty	Spear
Belanger	Davies	Merriam	Ramstad	Stumpf
Benson	Dieterich	Moe, D. M.	Renneke	Taylor
Berglin	Engler	Nelson	Rued	Ulland
Bernhagen	Frederickson	Olhoft	Setzepfandt	Vega
Bertram	Hughes	Penny	Sieloff	
Brataas	Kamrath	Peterson, C. C.	Sikorski	
Chmielewski	Knutson	Peterson, R. W.	Solon	

Those who voted in the negative were:

Bang	Frederick	Kroening	Pehler	Waldorf
Berg	Humphrey	Langseth	Peterson, D. L.	Wegener
Davis	Johnson	Lantry	Purfeerst	Willet
Dicklich	Keefe	Lindgren	Schmitz	
Frank	Knoll	Luther	Stokowski	

So the bill passed and its title was agreed to.

S.F. No. 1503: A bill for an act relating to game and fish; fees for firearms safety courses; amending Minnesota Statutes 1980, Section 97.85, Subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 7, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Benson	Johnson	Peterson, D.L.	Ramstad	Ulland
Dicklich	Lindgren			

So the bill passed and its title was agreed to.

S.F. No. 1068: A bill for an act relating to agriculture; authorizing gradual increases in assessments for potato research and promotion; amending Minnesota Statutes 1981 Supplement, Section 30.469.

Was read the third time 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, D.L.	Stern
Bang	Dieterich	Kronebusch	Peterson, R. W.	Stokowski
Belanger	Engler	Lantry	Petty	Stumpf
Benson	Frank	Lindgren	Purfeerst	Taylor
Berg	Frederick	Luther	Ramstad	Ulland
Berglin	Frederickson	Merriam	Renneke	Vega
Bernhagen	Hughes	Moe, D. M.	Rued	Waldorf
Bertram	Humphrey	Moe, R. D.	Schmitz	Wegener
Brataas	Johnson	Nelson	Setzepfandt	Willet
Chmielewski	Kamrath	Olhoft	Sieloff	
Dahl	Keefe	Pehler	Sikorski	
Davies	Knoll	Penny	Solon	
Davis	Knutson	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1364: A bill for an act relating to local government; providing for the separation of the city and town of Sturgeon Lake and the city of Rutledge and town of Kettle River.

Was read the third time 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	Knutson	Penny	Sikorski
Bang	Dicklich	Kroening	Peterson, C. C.	Solon
Belanger	Dieterich	Kronebusch	Peterson, D. L.	Spear
Benson	Engler	Langseth	Peterson, R. W.	Stern
Berg	Frank	Lantry	Petty	Stokowski
Berglin	Frederick	Lindgren	Purfeerst	Stumpf
Bernhagen	Frederickson	Luther	Ramstad	Taylor
Bertram	Hughes	Merriam	Renneke	Ulland
Brataas	Humphrey	Moe, D. M.	Rued	Vega
Chmielewski	Johnson	Moe, R. D.	Schmitz	Waldorf
Dahl	Kamrath	Nelson	Setzepfandt	Wegener
Davies	Keefe	Olhoft	Sieloff	Willet

Mr. Pehler voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 860: A bill for an act relating to municipal land use planning; permitting municipal fees for administrative actions relating to official controls; amending Minnesota Statutes 1980, Sections 462.353, by adding a subdivision; and 462.358, Subdivision 3b; repealing Minnesota Statutes 1980, Section 462.358, 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 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	Kronebusch	Peterson, C. C.	Spear
Benson	Frank	Langseth	Peterson, D. L.	Stern
Berg	Frederick	Lantry	Peterson, R. W.	Stokowski
Berglin	Frederickson	Lindgren	Petty	Stumpf
Bernhagen	Hughes	Luther	Ramstad	Taylor
Bertram	Humphrey	Merriam	Renneke	Ulland
Brataas	Johnson	Moe, D. M.	Rued	Vega
Chmielewski	Kamrath	Moe, R. D.	Schmitz	Waldorf
Davies	Keefe	Nelson	Setzepfandt	Wegener
Davis	Knoll	Olhoft	Sieloff	Willet

So the bill passed and its title was agreed to.

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.

Was read the third time 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	Knutson	Pehler	Sikorski
Bang	Dicklich	Kroening	Penny	Solon
Belanger	Dieterich	Kronebusch	Peterson, C. C.	Spear
Benson	Engler	Langseth	Peterson, D. L.	Stern
Berg	Frank	Lantry	Peterson, R. W.	Stokowski
Berglin	Frederick	Lindgren	Petty	Stumpf
Bernhagen	Frederickson	Luther	Purfeerst	Taylor
Bertram	Hughes	Merriam	Ramstad	Ulland
Brataas	Humphrey	Moe, D. M.	Renneke	Vega
Chmielewski	Johnson	Moe, R. D.	Rued	Waldorf
Dahl	Kamrath	Nelson	Setzepfandt	Wegener
Davies	Keefe	Olhoft	Sieloff	Willet

So the bill passed and its title was agreed to.

### CONSENT CALENDAR

S.F. No. 1514: A bill for an act relating to public works; extending the availability of an appropriation to the city of Cloquet for the purpose of constructing a public water facility; repealing Third Special Session Laws 1981, Chapter 2, Article I, Section 76.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 1552: A bill for an act relating to insurance; extending the temporary joint underwriting association act for an additional six year period; extending the termination date of certain insurance policies; amending Minnesota Statutes 1980, Sections 62F.01, Subdivision 2; and 62F.06, 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 59 and nays 0, as follows:

Those who voted in the affirmative were:



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

So the bill passed and its title was agreed to.

### GENERAL ORDERS

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

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

S.F. Nos. 786, 787, 1239, 1424 and 1497, which the committee recommends to pass.

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

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Bernhagen introduced—

S.F. No. 1783: A bill for an act relating to Independent School District No. 465, Litchfield; authorizing the school board to transfer money from the capital expenditure fund to the general fund before June 30, 1983.

Referred to the Committee on Education.

Ms. Berglin introduced—

S.F. No. 1784: A bill for an act relating to drivers licenses; requiring the suspension of licenses of certain uninsured persons; providing a penalty; proposing new law coded in Minnesota Statutes, Chapter 171.

Referred to the Committee on Commerce.

Messrs. Petty, Spear, Wegener and Keefe introduced—

S.F. No. 1785: A bill for an act relating to intoxicating liquor; brand registration and discrimination in wine sales; amending Minnesota Statutes 1980, Section 340.114, Subdivision 4; and Minnesota Statutes 1981 Supplement, Section 340.621.

Referred to the Committee on Commerce.

Mr. Davis introduced—

S.F. No. 1786: A bill for an act relating to local improvements; providing

for certain local improvements and special assessments; amending Minnesota Statutes 1981 Supplement, Section 429.021, Subdivision 1.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Davis introduced—

S.F. No. 1787: A bill for an act relating to state lands; directing the sale and conveyance of a certain tract.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Lindgren introduced—

S.F. No. 1788: A bill for an act relating to the legislature; providing for the filling of a vacancy in the term of the legislative auditor; amending Minnesota Statutes 1980, Section 3.97, Subdivision 4.

Referred to the Committee on Governmental Operations.

Messrs. Penny, Rued and Sikorski introduced—

S.F. No. 1789: A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

Referred to the Committee on Finance.

Messrs. Wegener, Kamrath, Setzepfandt and Mrs. Lantry introduced—

S.F. No. 1790: A bill for an act relating to municipal planning; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; amending Minnesota Statutes 1980, Sections 462.352, Subdivision 2; 462.357, Subdivision 6; and 462.36, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 462.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Wegener, Kamrath, Setzepfandt, Pehler and Mrs. Lantry introduced—

S.F. No. 1791: A bill for an act relating to the joint exercise of powers between governmental units; authorizing governmental units to provide services for other governmental units; amending Minnesota Statutes 1980, Section 471.59, by adding a subdivision.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Wegener, Kamrath, Setzepfandt and Mrs. Lantry introduced—

S.F. No. 1792: A bill for an act relating to towns; authorizing certain towns to exercise special powers; requiring notice; amending Minnesota Statutes 1980, Section 368.01, Subdivisions 1, 30, and by adding a subdivision.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Wegener, Kamrath, Setzepfandt, Pehler and Mrs. Lantry introduced—

S.F. No. 1793: A bill for an act relating to counties; authorizing the es-

establishment of subordinate service districts in order to provide and finance governmental services; proposing new law coded as Minnesota Statutes, Chapter 375B.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Solon introduced—

S.F. No. 1794: A bill for an act relating to health; providing for evaluation of certain changes in certificate of need review; requiring monitoring; amending the thresholds of review; providing for additional waivers; requiring reports; amending Minnesota Statutes 1980, Sections 145.833, Subdivision 5; and 145.835, Subdivisions 3 and 4; repealing Minnesota Statutes 1980, Sections 145.832 to 145.845, as amended; and Minnesota Statutes 1981 Supplement, Section 62D.22, Subdivision 6.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Moe, R.D. and Johnson introduced—

S.F. No. 1795: A bill for an act relating to public safety; providing that certain fines and forfeited bail money collected from persons violating motor vehicle weight laws and apprehended by the state patrol by means of stationary or portable scales be allocated between the state and certain political subdivisions; amending Minnesota Statutes 1981 Supplement, Section 299D.03, Subdivision 5.

Referred to the Committee on Transportation.

Messrs. Rued; Taylor; Peterson, D.L. and Lindgren introduced—

S.F. No. 1796: A bill for an act relating to education; eliminating provisions governing review and comment by the commissioner of education for school district construction; amending Minnesota Statutes 1981 Supplement, Section 124.43, Subdivision 1; repealing Minnesota Statutes 1980, Section 122.90.

Referred to the Committee on Education.

Messrs. Peterson, C.C.; Bernhagen; Chmielewski and Rued introduced—

S.F. No. 1797: A bill for an act relating to game and fish; prohibiting harassment of hunters, trappers and fishers; providing penalties; proposing new law coded in Minnesota Statutes, Chapter 97.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Berglin introduced—

S.F. No. 1798: A bill for an act relating to public cemeteries; permitting assessments of public cemetery property; amending Minnesota Statutes 1980, Section 306.14, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frank, Dahl, Mmes. Lantry, Stokowski and Mr. Wegener introduced—

S.F. No. 1799: A bill for an act relating to taxation; income; providing a

credit for home care of the elderly; appropriating money; amending Minnesota Statutes 1980, Section 290.06, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Pehler, Frederick and Schmitz introduced—

S.F. No. 1800: A bill for an act relating to taxation; sales; abolishing the limitation on the exemption of food relating to certain prepared foods; amending Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Dicklich introduced—

S.F. No. 1801: A bill for an act relating to local government; allowing the city of Orr and the town of Leiding to assess the cost of maintenance of television relay service.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Bertram, Langseth and Benson introduced—

S.F. No. 1802: A bill for an act relating to natural resources; requiring the waste management board to give first priority to incineration and recycling of hazardous wastes and avoidance of land disposal; postponing the certification of a hazardous waste land disposal facility; amending Minnesota Statutes 1981 Supplement, Sections 115A.11, Subdivision 1; and 115A.24, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Peterson, C.C. introduced—

S.F. No. 1803: A bill for an act relating to taxation; providing for the imposition of sales tax on certain retail sales of manufactured homes; amending Minnesota Statutes 1981 Supplement, Sections 297A.01, Subdivision 3; 297A.02; and 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Langseth introduced—

S.F. No. 1804: 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.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Kronebusch, Messrs. Frederick, Purfeerst and Engler introduced—

S.F. No. 1805: A bill for an act relating to transportation; providing for the construction of a new bridge crossing the Mississippi River at Wabasha; appropriating money.

Referred to the Committee on Transportation.

Ms. Berglin introduced—

S.F. No. 1806: A bill for an act relating to health; requiring development of a roster to monitor the development of the practice of acupuncture; establishing limited practice standards; providing remedies; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 144.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Dahl, Merriam, Petty, Sieloff and Hanson introduced—

S.F. No. 1807: A bill for an act relating to juveniles; providing that commission of certain offenses constitutes prima facie evidence in reference for prosecution cases; amending Minnesota Statutes 1981 Supplement, Section 260.125, Subdivision 3.

Referred to the Committee on Judiciary.

Mr. Frederickson, Ms. Berglin, Mr. Stern, Mrs. Lantry and Mr. Knutson introduced—

S.F. No. 1808: A bill for an act relating to public welfare; amending the community social services act; removing certain requirements related to biennial plans and the sliding fee for child care; amending Minnesota Statutes 1980, Section 256E.09, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 245.84, Subdivision 2; and 256E.03, Subdivision 2; repealing Minnesota Statutes 1981 Supplement, Section 256E.07, Subdivisions 2 and 3.

Referred to the Committee on Health, Welfare and Corrections.

Ms. Berglin, Mrs. Kronebusch, Messrs. Sieloff, Dahl and Merriam introduced—

S.F. No. 1809: A bill for an act relating to crimes; providing for the protection of the victims of criminal sexual conduct and intrafamilial sexual abuse; amending Minnesota Statutes 1981 Supplement, Section 15.791, Subdivision 9; proposing new law coded in Minnesota Statutes, Chapter 631.

Referred to the Committee on Judiciary.

Messrs. Dahl, Waldorf, Petty, Humphrey and Knoll introduced—

S.F. No. 1810: A bill for an act relating to energy; directing a pilot program on load management; amending Minnesota Statutes 1980, Section 216B.241, by adding a subdivision.

Referred to the Committee on Energy and Housing.

Messrs. Moe, R.D.; Hughes; Langseth; Peterson, D.L. and Davis introduced—

S.F. No. 1811: A bill for an act relating to education; establishing programs for youth who leave or are likely to leave high school before graduation; authorizing the department of education to award grants and perform certain other duties; appropriating money.

Referred to the Committee on Education.

Messrs. Hughes, Langseth, Wegener, Lindgren and Peterson, R.W. intro-

duced—

S.F. No. 1812: A bill for an act relating to education; allowing a school district flexibility in scheduling hours and days of attendance; requiring state board approval; amending Minnesota Statutes 1980, Section 124.19, by adding a subdivision.

Referred to the Committee on Education.

Mmes. Brataas, Kronebusch, Messrs. Frederick, Nelson and Sikorski introduced—

S.F. No. 1813: A bill for an act relating to public welfare; delaying the duty of the commissioner of administration to sell certain land and buildings; amending Laws 1981, Chapter 360, Article I, Section 2, Subdivision 5.

Referred to the Committee on Finance.

Mr. Hughes, Mrs. Lantry, Messrs. Waldorf and Dahl introduced—

S.F. No. 1814: A bill for an act relating to the city of Maplewood; authorizing a project and the issuance of revenue bonds.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Kroening; Moe, R.D.; Nelson; Dicklich and Chmielewski introduced—

S.F. No. 1815: A bill for an act relating to economic development; providing for a Minnesota conference on job formation; appropriating money.

Referred to the Committee on Governmental Operations.

Mr. Kamrath introduced—

S.F. No. 1816: A bill for an act relating to retirement; authorizing purchase of prior service credit by a certain member of the public employees retirement association.

Referred to the Committee on Public Employees and Pensions.

Mr. Kamrath introduced—

S.F. No. 1817: A bill for an act relating to waters; allowing local governmental units to discontinue federal flood insurance coverage; amending Minnesota Statutes 1980, Section 104.08, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 104.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Solon, Stern, Bang, Petty and Tennessen introduced—

S.F. No. 1818: A bill for an act relating to credit unions; providing for maximum interest rates on the unpaid balance of loans made by a credit union; making a temporary, superseding interest rate provision permanent; amending Minnesota Statutes 1980, Section 52.14, Subdivision 2; repealing Minnesota Statutes 1980, Section 52.14, Subdivision 1.

Referred to the Committee on Commerce.

Messrs. Renneke, Menning, Schmitz, Purfeerst and Rued introduced—

S.F. No. 1819: A bill for an act relating to partition fences; exempting certain lands from the provisions of chapter 344; providing that when only one owner or occupant is benefited by a fence he shall be assigned the entire expenses of the fence; amending Minnesota Statutes 1980, Section 344.03, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 344.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Renneke, Benson, Mrs. Kronebusch, Messrs. Rued and Ramstad introduced—

S.F. No. 1820: A bill for an act relating to the legislature; limiting the payment of per diem and mileage payable to legislators during an interim period and special sessions; amending Minnesota Statutes 1980, Sections 3.099, Subdivision 1; 3.101; 3.102; and 3.103.

Referred to the Committee on Rules and Administration.

Messrs. Renneke, Lindgren, Sikorski, Spear and Dicklich introduced—

S.F. No. 1821: A bill for an act relating to community corrections; clarifying and harmonizing the provisions of Minnesota Statutes relating to the administrative structure of participating counties, the composition of the corrections advisory board, the powers of probation officers, and the powers and duties of the commissioner of corrections; amending Minnesota Statutes 1980, Sections 401.01, Subdivision 2; 401.02, Subdivisions 1, 3, and 4; 401.06; 401.08, Subdivisions 1 and 2; and 401.13.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Renneke, Dahl, Taylor and Bernhagen introduced—

S.F. No. 1822: A bill for an act relating to energy; exempting ethanol or fuel alcohol plants from certificate of need requirements; amending Minnesota Statutes 1981 Supplement, Section 116H.13, Subdivision 8.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Renneke, Schmitz, Rued, Bertram and Bernhagen introduced—

S.F. No. 1823: A bill for an act relating to the environment; requiring the waste management board to consider certain technologies to be feasible and prudent in relation to hazardous waste management; amending Minnesota Statutes 1981 Supplement, Section 115A.24, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Renneke, Schmitz, Rued, Bertram and Bernhagen introduced—

S.F. No. 1824: A bill for an act relating to the environment; establishing a grant program administered by the pollution control agency to stimulate research related to hazardous waste; appropriating money; proposing new law

coded in Minnesota Statutes, Chapter 115A.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Keefe and Benson introduced—

S.F. No. 1825: A bill for an act relating to the collection and dissemination of data; proposing the classification of certain welfare data as nonpublic; amending Minnesota Statutes 1980, Section 15.1691, Subdivision 6; Minnesota Statutes 1981 Supplement, Sections 15.781, Subdivision 1; and 15.791, Subdivision 9.

Referred to the Committee on Judiciary.

Messrs. Hanson and Rued introduced—

S.F. No. 1826: A bill for an act relating to agriculture; setting a standard of proof and procedures for decision and appeal for claims of damage to livestock by endangered species; amending Minnesota Statutes 1980, Section 3.737, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Keefe, Ramstad and Knutson introduced—

S.F. No. 1827: A bill for an act relating to crimes; authorizing the district court to sentence up to the statutory maximum; amending Minnesota Statutes 1980, Section 244.10, Subdivision 2, and by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Keefe, Luther, Pillsbury and Dahl introduced—

S.F. No. 1828: A bill for an act relating to commerce; regulating certain sales of wood as fuel; requiring standard measurements and delivery ticket or sales invoices; providing exceptions; amending Minnesota Statutes 1980, Section 325E.01; and proposing new law coded in Minnesota Statutes, Chapter 239.

Referred to the Committee on Commerce.

Mr. Luther, Ms. Berglin, Messrs. Sikorski, Dieterich and Davies introduced—

S.F. No. 1829: A bill for an act relating to landlords and tenants; prohibiting screening fees; providing remedies; providing penalties; proposing new law coded in Minnesota Statutes, Chapter 504.

Referred to the Committee on Judiciary.

Mr. Lindgren introduced—

S.F. No. 1830: A bill for an act relating to highway traffic regulations; requiring the use of child passenger restraint systems for certain children under the age of four years; prescribing penalties; amending Minnesota Statutes 1980, Section 169.685, by adding a subdivision; repealing Minnesota Statutes



1981 Supplement, Section 169.685, Subdivision 5.

Referred to the Committee on Transportation.

Messrs. Lindgren and Benson introduced—

S.F. No. 1831: A bill for an act relating to education; authorizing school boards to transfer certain funds from the capital expenditure fund to the general fund before June 30, 1983.

Referred to the Committee on Education.

Mr. Frederickson, Mrs. Stokowski, Messrs. Bertram, Setzepfandt and Benson introduced—

S.F. No. 1832: A bill for an act relating to homestead exemptions; changing the time period for which a homestead is deemed to be abandoned through failure to occupy; amending Minnesota Statutes 1980, Section 510.07.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ulland introduced—

S.F. No. 1833: A bill for an act relating to taxation; extending the redemption period for certain tax-forfeited land.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin, Messrs. Knoll, Dicklich, Mrs. Stokowski and Mr. Lindgren introduced—

S.F. No. 1834: A bill for an act relating to human rights; including sexual harassment as a form of unfair discriminatory practices for certain purposes; amending Minnesota Statutes 1980, Section 363.01, Subdivision 10, and by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Frederick, Mrs. Brataas and Mr. Ramstad introduced—

S.F. No. 1835: A bill for an act relating to workers' compensation; changing benefits; providing for rehabilitation; requiring notices of injury; providing for the release of medical data; regulating supplemental benefits; providing for benefit adjustments; providing for various studies; defining terms; providing for continuance of certain insurance coverages; amending Minnesota Statutes 1980, Sections 62A.10, Subdivision 10; 62C.14, by adding a subdivision; 62D.10, by adding a subdivision; 176.011, Subdivision 3, and by adding subdivisions; 176.111, Subdivision 18; 176.131, Subdivisions 1, 1a, and 8; 176.132, Subdivision 1; 176.235, by adding a subdivision; and 176.641; Minnesota Statutes 1981 Supplement, Sections 176.021, Subdivision 3; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.221, Subdivisions 1, 2, and 3; and 176.645, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 176; repealing Minnesota Statutes 1980, Sections 176.011, Subdivisions 14 and 18; 176.095; 176.101, as amended; 176.102, as amended; 176.105, as amended; 176.111, as amended; and 176.235, Subdivisions 1 and 2; Minnesota Statutes 1981 Supplement, Sections 176.021,

Subdivision 3a; and 176.152.

Referred to the Committee on Employment.

Messrs. Frederickson, Rued, Berg, Belanger and Renneke introduced—

S.F. No. 1836: A bill for an act relating to the operation of state government; providing procedures for state mandating of local government functions; allowing for certain mandated functions to be discretionary; modifying the requirements of certain other mandated activities; amending Minnesota Statutes 1980, Sections 18.231, Subdivisions 1, 2, and 3; 162.04; 162.10; 169.14, Subdivision 5; 344.01; 373.01, by adding a subdivision; 373.052, Subdivision 1; 375.12, Subdivision 1; 394.01; 403.01, Subdivision 1; 410.19; and 477A.04, Subdivision 1; Minnesota Statutes 1981 Supplement, Section 477A.04, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 10.

Referred to the Committee on Governmental Operations.

Messrs. Knutson, Lindgren, Solon, Spear and Mrs. Lantry introduced—

S.F. No. 1837: A bill for an act relating to health; establishing a permanent council on health promotion and wellness; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 145.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Lindgren introduced—

S.F. No. 1838: A bill for an act relating to administrative procedures; providing for notice of temporary rulemaking; amending Minnesota Statutes 1981 Supplement, Section 15.0412, Subdivision 5.

Referred to the Committee on General Legislation and Administrative Rules.

Messrs. Pehler, Waldorf, Belanger and Penny introduced—

S.F. No. 1839: A bill for an act relating to transportation; modifying the provisions for financial assistance for certain services under the metropolitan transit service demonstration program; amending Minnesota Statutes 1981 Supplement, Section 174.265, Subdivision 4.

Referred to the Committee on Transportation.

Messrs. Tennessen, Ashbach, Bang, Solon and Johnson introduced—

S.F. No. 1840: A bill for an act relating to commerce; providing for a determination of when certain property held by a financial institution or business organization is presumed abandoned; amending Minnesota Statutes 1980, Sections 345.32, as amended; and 345.39, as amended.

Referred to the Committee on Commerce.

Messrs. Waldorf, Olhoft, Knoll, Tennessen and Frederick introduced—

S.F. No. 1841: A bill for an act relating to the legislature; establishing a

legislative science and technology resource council; providing for its powers and duties; proposing new law coded in Minnesota Statutes, Chapter 3.

Referred to the Committee on Rules and Administration.

Mr. Purfeerst, Mrs. Lantry, Messrs. Menning and Peterson, R.W. introduced—

S.F. No. 1842: A bill for an act relating to transportation; establishing a highway maintenance cost containment council.

Referred to the Committee on Transportation.

Mr. Bernhagen introduced—

S.F. No. 1843: A bill for an act relating to public employment; providing for an optional separate bargaining unit for teachers at area vocational-technical institutes; amending Minnesota Statutes 1980, Section 179.63, Subdivision 17; proposing new law coded in Minnesota Statutes, Chapter 179.

Referred to the Committee on Public Employees and Pensions.

Mr. Chmielewski introduced—

S.F. No. 1844: A bill for an act relating to state government; regulating the data practices of the department of economic security; amending Minnesota Statutes 1980, Section 268.12, Subdivision 12.

Referred to the Committee on Employment.

Messrs. Engler and Schmitz introduced—

S.F. No. 1845: A bill for an act relating to metropolitan government; providing for the management of waste resulting from sewage treatment; requiring a study and certification of need before the establishment of new disposal facilities; amending Minnesota Statutes 1980, Section 473.153, by adding subdivisions.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Engler and Schmitz introduced—

S.F. No. 1846: A bill for an act relating to metropolitan solid waste management; allowing the removal of the moratorium on development at certain sites; amending Minnesota Statutes 1981 Supplement, Section 473.803, Subdivision 1a.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Wegener, Setzepfandt, Renneke, Davis and Langseth introduced—

S.F. No. 1847: A bill for an act relating to agriculture; formulating a state agricultural land preservation policy; imposing duties on state agencies regarding agency actions adversely affecting agricultural land; continuing the existence of the joint legislative committee on agricultural land preservation; allocating certain state cost-sharing funds for high priority soil erosion, sedi-

mentation and water control problems identified by local soil and water conservation districts; imposing duties on state and local soil and water conservation boards; providing technical and administrative assistance grants to local districts; requiring coordination of state soil and water conservation programs with other public agencies; establishing a conservation tillage demonstration program; appropriating money; amending Minnesota Statutes 1980, Sections 15.0412, by adding a subdivision; 40.03, Subdivision 4; 40.036; 40.07, Subdivision 9; and Laws 1979, Chapter 315, Section 2; proposing new law coded in Minnesota Statutes, Chapters 17 and 40; repealing Minnesota Statutes 1980, Section 473H.13; and Laws 1979, Chapter 315, Section 1.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Nelson, Chmielewski, Kroening and Dicklich introduced—

S.F. No. 1848: A bill for an act relating to labor; extending the time period for wage claim actions; amending Minnesota Statutes 1980, Sections 541.05, Subdivision 1; and 541.07.

Referred to the Committee on Judiciary.

Messrs. Nelson, Chmielewski, Kroening and Dicklich introduced—

S.F. No. 1849: A bill for an act relating to workers' compensation; regulating interest rates on payments; amending Minnesota Statutes 1981 Supplement, Section 176.221, Subdivision 7.

Referred to the Committee on Employment.

Messrs. Nelson, Chmielewski, Kroening and Dicklich introduced—

S.F. No. 1850: A bill for an act relating to workers' compensation; regulating reports of injury or death; providing a penalty; amending Minnesota Statutes 1980, Section 176.231, Subdivision 10.

Referred to the Committee on Employment.

Messrs. Nelson, Chmielewski, Kroening and Dicklich introduced—

S.F. No. 1851: A bill for an act relating to workers' compensation; redefining the term "daily wage"; amending Minnesota Statutes 1980, Section 176.011, Subdivision 3.

Referred to the Committee on Employment.

Messrs. Nelson, Chmielewski, Kroening and Dicklich introduced—

S.F. No. 1852: A bill for an act relating to workers' compensation; redefining the term "weekly wage;" amending Minnesota Statutes 1980, Section 176.011, Subdivision 18.

Referred to the Committee on Employment.

Messrs. Davies and Schmitz introduced—

S.F. No. 1853: A bill for an act relating to agriculture; eliminating certain

provisions relating to abstracts of mortgages and liens on grain crops; repealing Minnesota Statutes 1980, Sections 386.42 and 386.43.

Referred to the Committee on Judiciary.

Mr. Davies introduced—

S.F. No. 1854: A bill for an act relating to state and local governments; providing hearing and judicial review provisions applicable to rejected bidders on public contracts; amending Minnesota Statutes 1980, Section 16.08; proposing new law coded in Minnesota Statutes, Chapter 471.

Referred to the Committee on Governmental Operations.

Mr. Davies introduced—

S.F. No. 1855: A bill for an act relating to insurance; eliminating certain mandatory filings with the commissioner of insurance; repealing Minnesota Statutes 1980, Section 72A.062.

Referred to the Committee on Commerce.

Messrs. Spear and Nelson introduced—

S.F. No. 1856: A bill for an act relating to state government; improving the state's personnel management functions; amending Minnesota Statutes 1980, Sections 6.582; 11A.07, Subdivision 4; 12.04, Subdivision 1; 15.0575, Subdivision 3; 15.059, Subdivision 3; 15.43, Subdivision 1; 60B.09, Subdivision 2; 84.028, Subdivision 3; 84.081, Subdivision 1; 85A.03, Subdivision 2; 86.51; 124.645, Subdivision 3; 128A.02, Subdivision 3; 136A.55, Subdivision 4; 144A.52, Subdivision 2; 168.325, Subdivision 1; 171.015, Subdivision 1; 216A.04, Subdivision 3; 241.64, Subdivision 3; 241.65; 246.017, Subdivision 2; 268.14, Subdivision 6; 299E.01, Subdivision 1; 299F.01, Subdivision 2; amending Minnesota Statutes 1981 Supplement, Sections 3.855, Subdivision 3; 43A.02, Subdivision 28; 43A.04, Subdivisions 3, 4, and by adding a subdivision; 43A.08, Subdivisions 1, 3, and by adding subdivisions; 43A.11, Subdivisions 3, 4, 7 and 8; 43A.13, Subdivisions 1, 4 and 5; 43A.15, Subdivisions 6 and 10; 43A.17, Subdivision 4; 43A.18, Subdivisions 3 and 4; 43A.19, Subdivision 1; 43A.27, Subdivision 3; 43A.33, Subdivisions 1, 3 and 4; 43A.37, Subdivision 1; 43A.38; 43A.39; 43A.42; 43A.44, Subdivision 2; 124.41, Subdivision 3; 254A.03, Subdivision 1; Laws 1971, Extra Session, Chapter 3, Section 19, Subdivision 5; Laws 1980, Chapter 564, Article XII, Section 1, Subdivision 6; Laws 1981, Chapter 210, Section 55; repealing Minnesota Statutes 1980, Sections 12.05; 124.615, Subdivision 3; 190.081; and 190.095; and Minnesota Statutes 1981 Supplement, Section 43A.08, Subdivision 2.

Referred to the Committee on Public Employees and Pensions.

Mr. Hughes introduced—

S.F. No. 1857: A bill for an act relating to education; authorizing a school board to charge fees for summer programs; authorizing summer programs to include community education programs, community recreation programs, improved learning programs and elementary and secondary summer school

programs; authorizing school districts to use aid for improved learning programs, aid for community education programs and the proceeds of community education levies for summer programs; amending Minnesota Statutes 1980, Sections 120.73, Subdivision 1; 124.271, as amended; 275.125, by adding a subdivision; Minnesota Statutes 1981 Supplement, Section 124.251; 275.125, Subdivision 8; proposing new law coded in Minnesota Statutes, Chapter 121.

Referred to the Committee on Education.

Mr. Hughes introduced—

S.F. No. 1858: A bill for an act relating to education; authorizing school districts to develop programs enabling secondary students to attend courses at post secondary institutions; proposing new law coded in Minnesota Statutes, Chapter 123.

Referred to the Committee on Education.

Mr. Willet introduced—

S.F. No. 1859: A bill for an act relating to forestry; establishing a forest research management policy and plan; realignment of forestry boundaries; establishing a forest management fund and accounting system; making various changes in forestry laws; amending Minnesota Statutes 1980, Sections 16A.125, Subdivision 5; 89.001, Subdivision 6, and by adding subdivisions; 89.01, Subdivision 6; 89.021, Subdivision 1; 89.036; 89.37; Subdivisions 2, 3, 3a, and 4; 90.251, Subdivisions 1 and 4; 197.447; 282.01, Subdivisions 1 and 3; 282.02; and 282.132; Minnesota Statutes 1981 Supplement, Section 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 88, 89, 90, and 282; repealing Minnesota Statutes 1980, Sections 282.031; 282.032; 282.033; 282.034; 282.035; 282.036; and 282.037.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Hanson, Nelson, Luther, Ashbach and Spear introduced—

S.F. No. 1860: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other improvements of a capital nature relating to public communications; authorizing issuance of state bonds; appropriating money.

Referred to the Committee on Finance.

Mr. Dieterich introduced—

S.F. No. 1861: A bill for an act relating to tax exempt property; providing for certain payments to the state by the state agricultural society, the metropolitan airports commission and the metropolitan sports facilities commission; amending Minnesota Statutes 1980, Sections 473.556, Subdivision 4; and 473.608, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapters 37 and 473.

Referred to the Committee on Education.

Messrs. Knoll, Humphrey, Johnson, Luther and Ulland introduced—

S.F. No. 1862: A bill for an act relating to taxation; providing energy credits for property providing a certain thermal integrity factor; extending the time when the credit will be available; amending Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 14.

Referred to the Committee on Energy and Housing.

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

### MOTIONS AND RESOLUTIONS

Mrs. Lantry moved that Senate Concurrent Resolution No. 8 be withdrawn from the Committee on Rules and Administration. The motion prevailed.

Senate Concurrent Resolution No. 8: A Senate concurrent resolution proclaiming the second week in March as Women's History Week in Minnesota.

WHEREAS, Minnesota women of every race, class, religion, and ethnic background helped found the State of Minnesota in countless recorded and unrecorded ways, among the earliest Native American settlers and as guides, pioneers, nurses, nuns, homemakers, industrial workers, teachers, reformers, scholars, businesswomen, and citizens; and,

WHEREAS, Minnesota women have played from the earliest days and continue to play a critical economic role in every sphere of our state's life by constituting a significant portion of the labor force working inside and outside the home; and,

WHEREAS, Minnesota women of diverse cultures have played and continue to play a unique role in the development of early cultural and social institutions, as volunteers in charitable and philanthropic organizations caring for the underprivileged, and as artists and supporters of drama, art, poetry, literature, music, and architecture; and,

WHEREAS, Minnesota women served as early leaders and continue to serve in the forefront of every major social change movement, not only to secure their own rights of suffrage and equal opportunity, but also in the abolitionist movement, the emancipation movement, the industrial labor union movement, and the modern civil rights movement; and,

WHEREAS, despite the significance and scope of women's contributions in the making of history and in the development of society and culture, the role of Minnesota women has consistently been overlooked and undervalued in history books and seldom mentioned in educational curricula; and,

WHEREAS, March 8, 1982 is the 74th anniversary of International Women's Day, and the United States Congress has set aside the week of March 7, 1982 to observe and celebrate the contributions of women to American society; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota, the House of Representatives concurring, that the second week of March is permanently designated as Women's History Week throughout the State of Minnesota. The people are urged to observe the week with appropriate ceremonies and celebrations.

Mrs. Lantry moved the adoption of the foregoing resolution. The motion

prevailed. So the resolution was adopted.

Mr. Moe, D.M. moved that the names of Mr. Dieterich and Ms. Berglin be added as co-authors to S.F. No. 1239. The motion prevailed.

S.F. No. 818 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 818

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.

February 3, 1982

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 84.111, is amended by adding a subdivision to read:

*Subd. 5. Notwithstanding the provisions of subdivisions 1 to 3, any person holding fee title to all property surrounding a body of public waters may use mechanical harvesting devices to harvest wild rice in those waters. This subdivision does not apply to:*

*(a) Any body of public waters greater than 125 acres in size;*

*(b) Any body of public waters to which the public has access directly or through a channel or watercourse; or*

*(c) Harvesting of wild rice for use or sale by any person other than the owner of the surrounding property.*

Sec. 2. Minnesota Statutes 1980, Section 97.48, Subdivision 24, is amended to read:

Subd. 24. The commissioner may limit the number of persons who may hunt deer or bear, when he determines that the game supply or area open to hunting is too small for unrestricted hunting, and he may establish by order any practicable method, including a drawing, for impartially determining the persons who may hunt in such areas.

Sec. 3. 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. 4. 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 \$1 \$2 from each deer license issued by the commissioner shall be used for the purpose of deer habitat improvement.

Sec. 5. 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 season, and all license agents shall return all stubs and unsold license blanks to the county auditor on the first business day following the first day of such season. *A license to take deer with bow and arrow issued after the opening of the bow and arrow deer season shall not be valid until the fifth day after it is issued.* 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 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. 6. 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 employec, engaged in the business of conducting a summer

resort.

Sec. 7. 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. 8. 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. 9. 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. 10. 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, long and long rifle 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. 11. 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 deter-

mined 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. 12. Minnesota Statutes 1981 Supplement, 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;

(2) To trap fur bearing animals, ~~except beaver~~, for residents 18 years of age and older, \$13;

(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, \$100, provided that any employee, partner or officer buying or selling at the established place of business only for the licensee may secure a supplemental license for \$50;

(4) ~~To trap beaver during an open season or by permit when doing damage, \$2.50;~~

(5) To guide bear hunters, \$75.

Sec. 13. Minnesota Statutes 1981 Supplement, 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, \$35;

(2) To take deer and unprotected quadrupeds with firearms and bow and arrows, \$75;

(3) To take deer and unprotected quadrupeds with a bow and arrows only, ~~\$35~~ \$75;

(4) To take bear, \$100;

(5) To take turkeys, \$30, in addition to a small game license;

(6) To hunt raccoon, bobcat, fox, coyote, or Canada lynx, with or without dogs, \$100, in addition to nonresident small game license.

Sec. 14. Minnesota Statutes 1980, Section 98.46, Subdivision 21, is amended to read:

Subd. 21. The commissioner may by order require every licensee to tag any fur bearing animal at the place where ~~trapped, beaver, fisher or otter taken.~~ The tag ~~will shall~~ be of a type prescribed by the commissioner and bearing the license number of the owner and the year of its issue. Tags ~~will shall~~ be issued with the license upon request of the licensee in a manner prescribed by the commissioner at no additional cost. ~~During the calendar years 1977 and 1978 the commissioner shall require the tagging of fisher in the manner designated in this subdivision.~~

Sec. 15. Minnesota Statutes 1980, Section 98.46, Subdivision 26, is amended to read:

Subd. 26. No nonresident shall possess or transport a raccoon, bobcat, Canada lynx, or fox taken in this state unless a tag of a type prescribed by the commissioner is affixed to the carcass. The number of tags which the commissioner shall prescribe by order will be issued with every nonresident license to take raccoon, bobcat, Canada lynx, or fox provided no such license or tags shall be issued after the fifth day from the commencement of the season for that licensing year.

Sec. 16. Minnesota Statutes 1981 Supplement, Section 97.4842, Subdivision 1, is amended to read:

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~~ ~~angle in any stream designated by the commissioner as a trout stream within this state~~ without first purchasing a stamp and having the stamp in his possession while angling for trout in any such 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.

Sec. 17. Minnesota Statutes 1981 Supplement, 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 \$1 for the license to take deer and for the sportsman license authorized in section 98.46, subdivision 2a, and 75 cents for all other licenses. The state migratory waterfowl stamp required by section 97.4841, the trout stamp required by section 97.4842, and any other similar state stamp required by statute, each shall be considered to be a "license"

within the meaning of this subdivision except when such stamp and a small game or other appropriate license are issued in the same transaction in which case the stamp shall be considered a part of the small game appropriate 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. 18. Minnesota Statutes 1980, Section 101.42, Subdivision 7, is amended to read:

Subd. 7. Except as otherwise specifically permitted, it shall be unlawful to buy or sell any fish taken from the waters of this state, except rough fish and minnows, fish raised in a private hatchery when tagged or labeled as prescribed by the commissioner, fish taken under licensed commercial fishing operations, or lawfully taken and subject to sale from other states or countries; provided, black bass, rock bass, muskellunge, and sunfish may not be bought or sold in this state *except when bought or sold by a private hatchery in accordance with procedures and restrictions prescribed by order of the commissioner for the purpose of stocking waters for recreational fishing.*

Sec. 19. Minnesota Statutes 1980, Section 100.29, Subdivision 5, is amended to read:

Subd. 5. Except as permitted by section 98.48, subdivision 10, it shall be unlawful to take any wild animal by ~~means of~~ discharging any firearm or bow and arrow ~~thereat~~ from a motor vehicle or airplane or snowmobile, ~~or to transport any firearm.~~ Except for a pistol or revolver *carried in compliance with sections 624.714 and 624.715, it is unlawful to transport any firearm, including a muzzle loading firearm, in a motor vehicle or airplane or snowmobile, unless (1) the same firearm is unloaded in both barrels and magazine and completely contained in a gun case expressly made for that purpose which is fully enclosed by being zipped, snapped, buckled, tied, or otherwise fastened, with no portion of the firearm exposed, or unless (2) the firearm is*

unloaded and contained in the trunk of the a car with the trunk door closed. It is also unlawful to transport the following a bow and arrow in a motor vehicle, airplane, or snowmobile: (1) a bow and arrow unless (1) unstrung or, (2) completely contained in a case, or unless (3) contained in the trunk of the car with the trunk door closed; (2) a muzzle loading firearm unless fully unloaded and completely contained in a gun case expressly made for that purpose which is fully enclosed by being zipped, snapped, buckled, tied, or otherwise fastened, with no portion of the firearm exposed, and in the closed trunk of a car or rearmost location of a vehicle. A muzzle loading firearm with a flintlock ignition is fully unloaded if it has no priming powder in any pan and a muzzle loading firearm with percussion ignition is fully unloaded if it has no percussion cap on any nipple. Subject to the requirements of subdivision 17, migratory waterfowl may be taken from a floating craft including those propelled by motor, sail and wind, or both, if the motor is shut off and the sails are furled, the progress of the craft caused by such propulsion has ceased, and the craft is drifting, beached, moored, resting at anchor, or is being propelled by paddle, oars, or pole.

Sec. 20. Minnesota Statutes 1980, Section 101.42, is amended by adding a subdivision to read:

*Subd. 1a. No muskellunge less than 36 inches in length may be taken in any waters north of trunk highway No. 210.*

Sec. 21. [REPEALER.]

*Minnesota Statutes 1980, Sections 98.46, Subdivision 20 and 101.42, Subdivision 10, are repealed.*

Sec. 22. [EFFECTIVE DATE.]

*Sections 1, 3, 5, 7, 9, 10, 11, 12, and 17 are effective August 1, 1982. Sections 8, 16, 18, 19, 20, and 21 are effective the day after final enactment. Sections 2, 4, 6, 13, 14, and 15 are effective for licensing years beginning March 1, 1982."*

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; removing a license fee for beaver; establishing nonresident fees for bobcat, fox, coyote and Canada lynx, allowing tagging for fur bearing animals; clarifying the trout stamp requirement; permitting certain fish to be bought or sold by private hatcheries; clarifying the transportation of firearms; clarifying the use of mechanical harvesting devices for wild rice; restricting the taking of certain muskellunge in certain areas of the state; amending Minnesota Statutes 1980, Sections 84.111, by adding a subdivision; 97.48, Subdivision 24; 97.4841, Subdivision 2; 97.49, Subdivision 1a; 98.45, Subdivision 1; 98.46, Subdivisions 21 and 26; 98.47, Subdivision 7; 98.52, Subdivision 1; 99.27, Subdivision 1; 100.27, Subdivision 1; 100.29, Subdivisions 3, 5 and 9; 101.42, Subdivision 7 and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 97.4842, Subdivision 1; 98.46, Subdivisions 4 and 14; and 98.50, Subdivision 5; repealing Minnesota Statutes 1980, Sections 98.46, Subdivision 20; and 101.42, Subdivision 10."

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

Senate Conferees: (Signed) Collin C. Peterson, 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 56 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Lantry	Petty	Stokowski
Bang	Dieterich	Lindgren	Purfeerst	Stumpf
Belanger	Engler	Luther	Ramstad	Taylor
Benson	Frank	Merriam	Renneke	Ulland
Berg	Frederick	Moe, R. D.	Rued	Vega
Berglin	Hughes	Nelson	Schmitz	Waldorf
Bernhagen	Johnson	Olhoft	Setzepfandt	Wegener
Bertram	Kamrath	Pehler	Sieloff	Willet
Chmielewski	Keefe	Penny	Sikorski	
Dahl	Knutson	Peterson, C.C.	Solon	
Davies	Kroening	Peterson, D.L.	Spear	
Davis	Kronebusch	Peterson, R.W.	Stern	

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 the Senate do now adjourn until 11:00 a.m., Thursday, February 11, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



**SEVENTIETH DAY**

St. Paul, Minnesota, Thursday, February 11, 1982

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. Joseph Simonson.

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	Tennessee
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	Setzpfandt	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**

Messrs. Dicklich, Hughes and Nelson were excused from the Session of today.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received and referred to the committees indicated.

June 29, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointment as commissioner of the Department of Energy, Planning and Development is hereby respectfully submitted to the Senate for confirmation as required by law:

Kent E. Eklund, 1520 Grantham, St. Paul, Ramsey County, has been appointed by me, effective July 1, 1981, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Governmental Operations.)

November 24, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

This memo is to notify you of the following appointment.

Mr. Michael J. Murphy, 1071 Weston Lane, Plymouth, Hennepin County, has been appointed as Acting Director of the Minnesota Energy Agency, effective December 1, 1981, for a term expiring February 28, 1982. At that time, the Energy Agency will be merged into the new Department of Energy, Planning and Development and the Director position will terminate.

The Commissioner of the Department of Energy, Planning and Development, Kent Eklund, has announced his intention to appoint Mr. Murphy as Assistant Commissioner of the Energy Division effective March 1, 1982.

Sincerely,

Albert H. Quie, Governor

February 4, 1982

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. 832.

Sincerely,

Albert H. Quie, Governor

February 4, 1982

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 1982 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 1982	Date Filed 1982
832		372	February 4	February 4

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 House Files, herewith transmitted: H.F. Nos. 1580, 1635 and 1724.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 8, 1982

### FIRST READING OF HOUSE BILLS

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

H.F. No. 1580: A bill for an act relating to state lands; providing for the conveyance of certain tax forfeited lands.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 1635: A bill for an act relating to state lands; authorizing sale and conveyance of a certain tract of state lands to Bethlehem Lutheran Church of Waskish, Minnesota.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 1724: A bill for an act relating to Independent School District No. 507, Nicollet; authorizing a transfer of funds collected by referendum levy to reduce statutory operating debt.

Referred to the Committee on Education.

### REPORTS OF COMMITTEES

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

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

S.F. No. 1588: A bill for an act relating to state and local government organization and relations; creating an advisory council on local government; prescribing its duties; proposing new law coded as Minnesota Statutes, Chapter 15B.

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

Page 1, line 9, delete "*a permanent*" and insert "*an*"

Page 2, line 24, delete "Six" and insert "Three"

Page 2, after line 24, insert:

"(c) The state auditor,"

Page 2, line 25, delete "(c)" and insert "(d)"

Page 2, line 26, after "cities" insert ", at least one of whom shall be an official of a city of less than 2,500 population"

Page 2, line 27, delete "(d)" and insert "(e)"

Page 2, line 28, after "counties" insert ", at least two of whom shall be officials of counties outside the metropolitan area defined in section 473.121, subdivision 2"

Page 2, line 29, delete "(e) One member" and insert "(f) Two members"

Page 2, line 30, delete the period and insert a semicolon

Page 2, after line 30, insert:

"(g) One member of the Minnesota association of regional commissions appointed by the MARC board."

Page 2, line 36, before "Two" insert "At least"

Page 3, line 1, delete "elected or"

Page 3, line 5, delete "(c)."

Page 3, line 6, delete "and" and after "(e)" insert ", (f) and (g)"

Page 3, line 15, after the period, insert "The terms of members appointed to the council by virtue of service in another office or employment shall expire upon termination of the other office or employment."

Pages 3 to 5, delete sections 5 to 8 and insert:

"Sec. 5. [15B.05] [ADMINISTRATION.]

*Subdivision 1. [MEETINGS.] The governor shall convene the first meeting of the council within 30 days following the effective date of sections 1 to 7. Thereafter the council shall meet at the call of the chair or a majority of the council, which shall be at least once quarterly.*

*Subd. 2. [OFFICERS; ELECTION; TERMS.] The council shall elect from among its membership a chair, vice-chair, and other officers it deems appropriate. The officers shall compose an executive committee. The officers shall serve for one year terms.*

*Subd. 3. [CHAIR; POWERS AND DUTIES.] The chair or the chair's designee shall preside at meetings. The executive committee shall appoint council committees, execute contracts and agreements, hire and supervise the executive director of the council as provided in section 6, subdivision 4, and perform all other executive duties and functions assigned to the chair by the council or by law. The council shall approve contracts and agreements and the hiring of employees.*

*Subd. 4. [ADMINISTRATIVE AND STAFF SERVICES.] The legislative coordinating commission shall ensure the provision of office space, meeting*

rooms, and administrative and office services and equipment for the council for fiscal years 1982, and 1983. The legislative coordinating commission may assist in the provision of an executive director for employment by the council pursuant to section 6, subdivision 4. The council shall make recommendations about permanent office and administrative arrangements. Officers, departments, agencies, and staff in the executive and legislative branches of state government that have responsibilities in local government matters and state-local relations shall cooperate with the council and provide information and technical advice and assistance and may provide staff support as requested by the council. Until an executive director is employed by the council pursuant to section 6, subdivision 4, the commissioner of the department of energy, planning, and development shall coordinate requests from the council for assistance from other state departments and agencies.

Sec. 6. [15B.06] [POWERS.]

Subdivision 1. [RESEARCH AND INVESTIGATION.] The council may undertake research studies and programs, collect and analyze data, prepare reports and other materials, and conduct hearings and investigations for the accomplishment of its purposes. The council may encourage, monitor, and, where appropriate, coordinate studies of intergovernmental relations conducted by other entities.

Subd. 2. [ASSISTANCE TO STATE.] The council may advise and assist the governor, executive branch agencies, and the legislature on matters within its scope of responsibility.

Subd. 3. [GIFTS AND GRANTS.] The council may apply and contract for, accept and receive, and use or expend any appropriations, gifts, or grants of money or property in accordance with the purposes of the council and the terms of the appropriation, gift, or grant.

Subd. 4. [EMPLOYEES; CONTRACTS.] The council may enter into contracts and agreements necessary and proper for the accomplishment of its purposes. It may act under the provisions of section 471.59 or any other law providing for joint or cooperative governmental action. It may employ an executive director in the unclassified service and other persons in the classified service. It may contract for the performance of professional and other services for the accomplishment of its purposes.

Sec. 7. [15B.07] [DUTIES.]

Subdivision 1. [RECOMMENDATIONS TO LEGISLATURE AND GOVERNOR.] The council shall provide advice and recommendations to the governor, legislature, and executive agencies from time to time as it deems necessary and as directed by law. The council shall make biennial recommendations to the legislature and the governor by November 15 of each even-numbered year commencing in 1984. The council shall provide the advice and recommendations required in subdivision 3 by January 1, 1983.

Subd. 2. [FISCAL AFFAIRS.] The council shall give special attention to advising the governor, executive branch agencies, and the legislature about decisions on local government finance and intergovernmental fiscal relations, including: local government revenue needs, resources, and limits; local debt and debt limits; state and federal fiscal and programmatic mandates and limits; and state and federal financial assistance to local governments.

*Subd. 3. [PRIORITY.] In particular, during fiscal years 1982 and 1983, the council shall study and provide advice and recommendations on:*

*(a) Changes in the state's budgets for fiscal years 1982 and 1983, as they relate to local government finance and intergovernmental fiscal relations;*

*(b) Development and modification of the state's budget for the 1984-1985 biennium, as it relates to local government finance and intergovernmental fiscal relations;*

*(c) Long-range state policy and state laws governing local government finance and intergovernmental fiscal relations;*

*(d) Systematic methods for bringing knowledge and information about local government finance and intergovernmental fiscal relations into the state's biennial budget-making process, including systems and procedures for collecting, maintaining, monitoring, and reporting on the requisite quantitative data.*

**Sec. 8. [EFFECTIVE DATE.]**

*Sections 1 to 7 are effective the day following final enactment until June 30, 1984, unless extended by legislative action."*

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

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

S.F. No. 1687: A bill for an act relating to Ramsey county; providing for the organization, powers and duties of the Saint Paul-Ramsey Medical Center commission; permitting the issuance of revenue bonds; amending Laws 1974, Chapter 435, Section 3.14, as amended.

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

Page 3, line 10, strike "The"

Page 3, strike lines 11 and 12

Page 3, line 13, strike "(b)"

Page 3, line 15, strike "hospital" and insert "medical center"

Page 3, line 18, strike "hospital" and insert "medical center"

Page 3, line 19, after "employ" delete "the"

Page 3, line 25, strike "(c)" and insert "(b)"

Page 4, line 7, strike "(d)" and insert "(c)"

Page 4, line 12, strike "(e)" and insert "(d)"

Page 4, line 16, strike "(f)" and insert "(e)"

Page 4, line 32, strike "(g)"

Page 4, line 34, delete "but"

Page 4, lines 35 and 36, delete the new language

Page 5, line 5, strike "(h)" and insert "(f)".

Page 5, line 6, delete "in the"

Page 5, line 7, delete "aggregate principal amount not to exceed \$1,000"

Page 5, line 16, before "shall" insert "shall be in an amount and"

Page 6, line 12, delete "(i)" and delete "may"

Page 6, strike lines 12 to 15

Page 6, line 16, strike "teaching institution." and insert:

*"(g) The commission shall provide hospital and medical services for the indigent of Ramsey County, the contagiously ill, and catastrophically injured and city and county prisoners, and maintain the hospital as a research and teaching institution. It may provide hospital and medical services for the general public."*

Page 7, line 8, strike "Section" and insert "Sections" and after "471.345" insert "to 471.37"

Page 7, lines 34 and 35, delete the new language

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 233: A bill for an act relating to retirement; extending the combined service annuity to members of the University of Minnesota faculty plan; amending Minnesota Statutes 1980, Section 356.30, Subdivision 3.

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

Delete everything after the enacting clause and insert:

**"Section 1. [REPAYMENT OF REFUND BY CERTAIN UNIVERSITY OF MINNESOTA, DULUTH CAMPUS, EMPLOYEES.]**

*Notwithstanding any provision of law to the contrary, any person who is employed on the effective date of this act or was formerly employed between January 1, 1975, and the effective date of this act by the University of Minnesota at the Duluth campus shall be entitled to repay a refund taken from any covered retirement fund enumerated in Minnesota Statutes, Section 356.30, Subdivision 3. The repayment of the refund shall be paid in a lump sum prior to July 1, 1983, and shall be in an amount equal to the amount of any refund taken plus compound interest at the rate of six percent per annum from the date the refund was taken to the date the refund is repaid. If the person repaying the refund is on the effective date of this act already receiving a retirement annuity from the retirement fund from which the refund was taken, the person shall be entitled to a retirement annuity recomputed based on the service credit reinstated by the repayment of the refund and based on the applicable provisions of Minnesota Statutes, Section 356.30, Subdivision 1. The recomputed annuity shall be payable on the first day of the second month following the repayment of the refund, and shall not include any retroactive amounts. If the person repaying the refund is on the effective date of this act not receiving a retirement*

*annuity from the retirement fund from which the refund was taken, the person shall be entitled to a retirement annuity when otherwise eligible, which shall be based on the applicable provisions of Minnesota Statutes, Section 356.30, Subdivision 1.*

Sec. 2. [EFFECTIVE DATE.]

*This act is effective on the day following final enactment."*

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

"A bill for an act relating to retirement; authorizing the repayment of a refund by certain current and former University of Minnesota, Duluth campus, employees; providing for the recomputation of certain retirement annuities."

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1547: A bill for an act relating to retirement; miscellaneous amendments to the public employees retirement law; amending Minnesota Statutes 1980, Sections 353.01, Subdivisions 12 and 16; 353.03, Subdivision 4; 353.27, Subdivision 12; 353.35; and 353.657, Subdivision 2a; Minnesota Statutes 1981 Supplement, Sections 353.01, Subdivisions 2a and 2b; 353.27, Subdivision 4; 353.33, Subdivision 5; 353.36, Subdivision 2; and 353.64, Subdivision 1; repealing Minnesota Statutes 1980, Sections 353.01, Subdivision 34; and 353.017, Subdivisions 4 and 5; Minnesota Statutes 1981 Supplement, Section 353.023.

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

Page 6, line 32, delete "three" and insert "five"

Pages 7 to 9, delete sections 5, 7 and 8

Page 13, line 3, delete "Section" and insert "Sections" and after the semicolon insert "and 353.017, Subdivision 4;"

Page 13, line 4, delete "Sections 353.017,"

Page 13, line 5, delete "Subdivisions 4 and 5; and" and insert "Section"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "353.03, Subdivision 4; 353.27, Subdivision"

Page 1, line 6, delete "12;"

Page 1, line 8, delete "353.33,"

Page 1, line 9, delete "Subdivision 5;"

Page 1, line 12, delete "Subdivisions 4 and 5" and insert "Subdivision 4"

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

Mr. Spear from the Committee on Public Employees and Pensions, to which



was referred

S.F. No. 1591: A bill for an act relating to retirement; volunteer firefighters relief associations; fire and police state aid programs; combining various reports for purposes of qualifying for fire state aid; modifying the presumptions used in determining qualification for fire or police state aid; clarifying the duration of disqualification from receipt of fire or police state aid in the event of noncompliance with financing guidelines; clarifying the procedure for crediting service by certain probationary volunteer firefighters; clarifying a limitation on the payment of service pensions to active volunteer firefighters; amending Minnesota Statutes 1980, Sections 69.021, Subdivision 4; 69.051, Subdivision 3; 69.771, Subdivision 3; and 424A.01, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 69.011, Subdivision 2; 69.051, Subdivision 1; 69.77, Subdivision 1; and 424A.02, Subdivision 1.

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

Page 4, line 9, after the stricken language, insert "*The commissioner shall also certify to each county auditor the name of each qualified state aid recipient located in the county and any other information deemed necessary for the county auditor to make the subsequent apportionment of state aid.*"

Page 7, line 13, strike "any municipality"

Page 7, line 22, after "association" insert "*and that municipality*"

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

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.

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 1981 Supplement, Section 352D.02, Subdivision 1, is amended to read:

Subdivision 1. The following employees in the unclassified service of the state who are eligible for coverage under the Minnesota state retirement system shall participate in the unclassified program unless such employee gives notice to the executive director of the state retirement system within one year following the commencement of his employment that he desires coverage under the regular employee plan. For the purposes of this chapter, an employee who does not file such notice with the executive director shall be deemed to have exercised his option to participate in the unclassified plan.

(1) Any employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general or the state board of investment,

(2) The head of any department, division, or agency created by statute, an

acting department head subsequently appointed to the position, or any employee enumerated in sections 15A.081, subdivision 1 or 15A.083, subdivision 4,

(3) Any permanent, fulltime unclassified employee of the legislature or any commission or agency of the legislature or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system,

(4) Any person employed in a position established pursuant to section 43.09, subdivision 2a or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level,

(5) The chairman, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission, and the chairman, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,

(6) The executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system, ~~and~~

(7) The clerk of the Minnesota supreme court appointed pursuant to Article VI, Section 2, of the Constitution of the state of Minnesota, *and*

(8) *Any employee whose principal employment is at the state ceremonial house.*

## Sec. 2. [TEMPORARY PROVISION; RETROACTIVE COVERAGE.]

*The eligibility of the employees specified in clause (8) of section 1, who are employed in the positions on the effective date of this act, to participate shall be retroactive to their date of appointment to that service. The moneys used to purchase shares shall be the employee, employer and employer additional contributions made on behalf of these employees during their employment.*

## Sec. 3. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*

Amend the title as follows:

Page 1, line 4, delete "1980" and insert "1981 Supplement"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred 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 members of certain fire departments; amending Minnesota Statutes 1980, Section 168.12, by adding a subdivision.

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

Page 1, line 11, delete "Any" and insert "*The registrar shall issue special license plates to any applicant who is both a member of a fire department receiving state aid under chapter 69 and an owner or joint owner of a passenger automobile, station wagon, van or pickup with a gross weight of 9,000 pounds or less, upon payment of the registration tax required by law for the vehicle and compliance with other laws of this state relating to registration and licensing of motor vehicles and drivers. In lieu of the identification required under subdivision 1, the special license*"

Page 1, delete lines 12 to 19

Page 1, line 21, delete "*which is in lieu of the*"

Page 1, line 22, delete "*identification required under subdivision 1*"

Page 1, line 24, after the period, begin a new paragraph

Page 2, line 3, after "*department*" delete the comma

Page 2, line 9, after the period, begin a new paragraph

Page 2, line 10, delete "*pursuant to*" and insert "*under*"

Page 2, line 10, delete "*governing*" and insert "*, sections 15.041 to 15.052, to govern*"

Page 2, after line 12, insert:

"Sec. 2. [APPROPRIATION.]

*The sums necessary to administer the provisions of section 1 are appropriated from the highway user tax distribution fund.*"

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "*appropriating money;*"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

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.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1510: A bill for an act relating to highway traffic regulations; removing certain requirements for bug deflectors; amending Minnesota Statutes 1980, Section 169.743.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1499: A bill for an act relating to motor vehicles; providing for special license plates for former prisoners of war; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 168.

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

Page 1, line 8, after "FOR" insert "FORMER"

Page 1, delete lines 10 to 25

Page 2, delete lines 1 to 13 and insert:

*"Subdivision 1. [SPECIAL PLATES; APPLICATION; FEE; TRANSFER.] The registrar shall issue special license plates bearing the inscription "EX-POW" to any applicant who is both a former prisoner of war and an owner or joint owner of a motor vehicle upon the applicant's compliance with all the laws of this state relating to the registration and licensing of motor vehicles and drivers. The special license plates shall be of a design and size to be determined by the commissioner. Plates bearing the "EX-POW" inscription may be issued for only one motor vehicle per applicant.*

*Application for issuance of these plates shall be made at the time of renewal or first application for registration. The application shall include a certification by the commissioner of veterans' affairs that the applicant was a member of the military forces of the United States who was captured, separated, and incarcerated by an enemy of the United States during a period of armed conflict.*

*The applicant shall pay, in addition to the registration tax required by law, a fee of \$20 for the special license plates issued under this section. The additional fee is payable only when the plates are issued and no additional fee is payable in any year in which tabs or stickers are issued in lieu of number plates. All fees from the sale of the special license plates shall be paid into the state treasury and credited to the highway user tax distribution fund.*

*Notwithstanding the provisions of section 168.12, subdivision 1, the special license plates issued under this section may be transferred to another motor vehicle owned or jointly owned by the former prisoner of war upon the payment of a fee of \$5. This fee shall be paid into the state treasury and credited to the highway user tax distribution fund.*

*For purposes of this section, "motor vehicle" means a passenger automobile, station wagon, pickup truck, motorcycle, or recreational vehicle.*

*Subd. 2. [SPECIAL PLATE; EX-POW AND HANDICAPPED INSIGNIA.] The registrar shall issue special license plates bearing both the "EX-POW" and handicapped insignia to any applicant who is entitled to the special license plates provided under this section and who is also entitled to special license plates for the physically handicapped under section 168.021 upon compliance with the provisions of both sections. The special license plates shall be of a design and size to be determined by the commissioner."*

Page 2, line 15, after "rule" insert a comma

Page 2, delete line 17 and insert "issuance or transfer of the special license plates authorized under this section."

Page 2, line 19, after "rule" insert a comma

Amend the title as follows:

Page 1, line 4, delete "prescribing penalties;"

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1856: A bill for an act relating to state government; improving the state's personnel management functions; amending Minnesota Statutes 1980, Sections 6.582; 11A.07, Subdivision 4; 12.04, Subdivision 1; 15.0575, Subdivision 3; 15.059, Subdivision 3; 15.43, Subdivision 1; 60B.09, Subdivision 2; 84.028, Subdivision 3; 84.081, Subdivision 1; 85A.03, Subdivision 2; 86.51; 124.645, Subdivision 3; 128A.02, Subdivision 3; 136A.55, Subdivision 4; 144A.52, Subdivision 2; 168.325, Subdivision 1; 171.015, Subdivision 1; 216A.04, Subdivision 3; 241.64, Subdivision 3; 241.65; 246.017, Subdivision 2; 268.14, Subdivision 6; 299E.01, Subdivision 1; 299F.01, Subdivision 2; amending Minnesota Statutes 1981 Supplement, Sections 3.855, Subdivision 3; 43A.02, Subdivision 28; 43A.04, Subdivisions 3, 4, and by adding a subdivision; 43A.08, Subdivisions 1, 3, and by adding subdivisions; 43A.11, Subdivisions 3, 4, 7 and 8; 43A.13, Subdivisions 1, 4 and 5; 43A.15, Subdivisions 6 and 10; 43A.17, Subdivision 4; 43A.18, Subdivisions 3 and 4; 43A.19, Subdivision 1; 43A.27, Subdivision 3; 43A.33, Subdivisions 1, 3 and 4; 43A.37, Subdivision 1; 43A.38; 43A.39; 43A.42; 43A.44, Subdivision 2; 124.41, Subdivision 3; 254A.03, Subdivision 1; Laws 1971, Extra Session, Chapter 3, Section 19, Subdivision 5; Laws 1980, Chapter 564, Article XII, Section 1, Subdivision 6; Laws 1981, Chapter 210, Section 55; repealing Minnesota Statutes 1980, Sections 12.05; 124.615, Subdivision 3; 190.081; and 190.095; and Minnesota Statutes 1981 Supplement, Section 43A.08, Subdivision 2.

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

Page 8, line 33, delete "twice" and insert "by January 1 and July 1 of"

Page 9, after line 2, insert:

"Sec. 12. Minnesota Statutes 1981 Supplement, Section 43A.05, Subdivision 4, is amended to read:

Subd. 4. [TIME OFF IN EMERGENCIES.] The commissioner shall authorize appointing authorities to pay for time off in emergencies. ~~An appointing authority~~ *The commissioner*, after consultation with the commissioner of public safety, may excuse employees from duty with full pay in the event of a natural or manmade emergency, if continued operation would involve a threat to the health or safety of individuals. Absence with pay shall not exceed 16 working hours at any one time unless the commissioner authorizes a longer duration."

Page 27, after line 24, insert:

“Sec. 37. Minnesota Statutes 1981 Supplement, Section 43A.41, Subdivision 4, is amended to read:

Subd. 4. [SHARED POSITION.] “Shared position” means a classified or unclassified position which has been converted from a full-time position into part-time positions of equivalent class for purposes of sections 43A.40 to 43A.46.”

Pages 38 and 39, delete section 55

Page 39, after line 26, insert:

“Sec. 59. Minnesota Statutes 1981 Supplement, Section 352D.02, Subdivision 1, is amended to read:

Subdivision 1. The following employees in the unclassified service of the state who are eligible for coverage under the Minnesota state retirement system shall participate in the unclassified program unless such employee gives notice to the executive director of the state retirement system within one year following the commencement of his employment that he desires coverage under the regular employee plan. For the purposes of this chapter, an employee who does not file such notice with the executive director shall be deemed to have exercised his option to participate in the unclassified plan.

(1) Any employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general or an unclassified employee of the state board of investment,

(2) The head of any department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or any employee enumerated in sections 15A.081, subdivision 1 or 15A.083, subdivision 4,

(3) Any permanent, fulltime unclassified employee of the legislature or any commission or agency of the legislature or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system,

(4) Any person employed in a an unclassified position established pursuant to section ~~43.09~~ 43A.08, subdivision ~~2a~~ 1a or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level,

(5) The chairman, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission, and the chairman, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,

(6) The executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board; provided that upon initial designation of all positions provided for in this clause, no

further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system, and

(7) The clerk of the Minnesota supreme court appointed pursuant to Article VI, Section 2, of the Constitution of the state of Minnesota.

Sec. 60. Minnesota Statutes 1980, Section 352D.02, is amended by adding a subdivision to read:

*Subd. 1a. Any person who on the day before the effective date of this section*

*(a) is employed by the state board of investment, or holds a division director position which is statutorily designated in the unclassified service, and*

*(b) is a participant in the state unclassified employees retirement program*

*whose position is placed in the classified service pursuant to this act, may elect to maintain membership in the unclassified program as long as the person holds the position. A person eligible to maintain membership in the unclassified plan shall notify the executive director of the state retirement system of their election to maintain membership within 60 days of the date on which the position is placed in the classified service. A person who does not file this notice shall be deemed to have waived the right to remain in the unclassified plan.*

Sec. 61. Minnesota Statutes 1981 Supplement, Section 462A.04, Subdivision 8, is amended to read:

Subd. 8. The agency shall be under the administrative control of an executive director which office is established. He shall be appointed by the governor under the provisions of section 15.06.

The executive director may appoint a deputy director. The executive director may further appoint such permanent and temporary employees as he deems necessary subject to the approval of the commissioner of employee relations. All permanent employees of the agency, except the executive director, deputy director, and five additional positions reporting directly to the director established pursuant to section 43A.08, subdivision 1a are in the classified civil service. Notwithstanding section 16A.752 or any other provision of law to the contrary, any approved complement established by law for the agency shall not be reduced as a result of vacancies in approved positions. ~~The five additional unclassified positions permitted by this subdivision shall only be filled in the manner and pursuant to the procedures and conditions specified in section 43.09, subdivision 2a; provided, that~~ No additional deputy commissioner positions may be created."

Page 41, lines 33 and 35, delete "14" and insert "15"

Page 42, after line 7, insert:

"Sec. 68. [EFFECTIVE DATE.]

*Section 10 is effective the day following final enactment. Sections 1 to 9 and 11 to 67 are effective June 30, 1982."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, delete "268.14, Subdivision 6;"

Page 1, line 14, delete "amending" and insert "and 352D.02, by adding a subdivision;"

Page 1, line 17, after "subdivision;" insert "43A.05, Subdivision 4;"

Page 1, line 24, after "43A.39;" insert "43A.41, Subdivision 4;"

Page 1, line 25, after "1;" insert "352D.02, Subdivision 1; and 462A.04, Subdivision 8;"

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

Mr. Stumpf from the Committee on Elections and Reapportionment, to which was referred

S.F. No. 1773: A bill for an act relating to elections; proposing an amendment to the Minnesota Constitution, Article VII, Section 9, to limit campaign expenditures by candidates for the United States senate and house of representatives; providing implementing legislation; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 13, and by adding a subdivision; 10A.20, Subdivision 3a, and by adding a subdivision; 10A.22, by adding a subdivision; 10A.25, Subdivisions 5, 6, 7, 10, and by adding a subdivision; 10A.27; 10A.275; 10A.28, Subdivisions 1 and 2; 10A.31, Subdivisions 2 and 7; and 10A.335; Minnesota Statutes 1981 Supplement, Sections 10A.255, Subdivision 1; and 10A.31, Subdivisions 1, 3, and 5.

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

Page 3, line 27, delete "....." and insert "25"

Page 3, line 28, delete "\$....." and insert "\$1,200,000"

Page 3, line 29, delete "....." and insert "4-16"

Page 3, line 30, delete "\$....." and insert "\$200,000"

Page 6, line 13, delete "\$....." and insert "\$60,000"

Page 6, line 14, delete "\$....." and insert "\$12,000"

Page 6, line 16, delete "\$....." and insert "\$7,500"

Page 6, line 17, delete "\$....." and insert "\$1,500"

Page 8, lines 31 and 34, delete "\$....." and insert "\$5"

Page 9, lines 2, 4, and 9, delete "\$....." and insert "\$5"

Page 9, lines 18 and 22, delete the first "\$....." and insert "\$5"

Page 9, lines 18 and 22, delete the second "\$....." and insert "\$10"

Page 9, lines 29, 31, and 32, delete "\$....." and insert "\$5"

Page 10, line 3, delete "....." and insert "12"

Page 10, line 5, delete "....." and insert "3.5"

Page 10, line 6, delete "....." and insert "2"

Page 10, line 9, delete "....." and insert "12.5"

Page 10, line 10, delete "....." and insert "25"



Page 10, line 13, delete "....." and insert "18.75"

Page 10, line 15, delete "....." and insert "15"

Page 10, line 16, delete "....." and insert "26"

Page 12, line 35, delete "\$....." and insert "\$5"

Page 12, line 36, delete "\$....." and insert "\$10"

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

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

S.F. No. 1256: A bill for an act relating to state government; directing the commissioner of administration to obtain state office space in certain types of historically significant buildings when practical; authorizing the commissioner to lease or provide space in state buildings for commercial, cultural, recreational, and educational activities; amending Minnesota Statutes 1980, Section 16.243; proposing new law coded in Minnesota Statutes, Chapter 16.

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

Page 2, line 3, before "The" insert "*For needs beyond those which can be accommodated in state owned buildings,*"

Page 2, line 7, delete "or" and insert a comma

Page 2, line 7, after "prudent" insert "*and cost effective*"

Page 2, line 7, after the period, insert "*Buildings of historical, architectural, or cultural significance shall be determined as follows:*

(a) *Those buildings listed on the national register of historical places;*

(b) *Those buildings designated by a state or county historical society; or*

(c) *Those buildings designated by a municipal preservation commission."*

Pages 2 and 3, delete section 2 and insert:

"Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective April 1, 1982."*

Amend the title as follows:

Page 1, line 5, delete everything after the semicolon

Page 1, delete lines 6 and 7

Page 1, line 8, delete "activities;"

Page 1, line 9, delete everything after "16.243"

Page 1, delete "Chapter 16"

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

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

S.F. No. 1621: A bill for an act relating to state government; removing the geographic limitation on state and public employees' eligibility for the state employee transportation program; amending Minnesota Statutes 1981 Supplement, Section 16.756, Subdivision 1a.

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

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

S.F. No. 1560: A bill for an act relating to municipal bonds; repealing limitations on interest rates; changing a public sale requirement; amending Minnesota Statutes 1980, Sections 475.55 and 475.60, Subdivision 2.

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

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1980, Section 474.06, is amended to read:  
474.06 [MANNER OF ISSUANCE OF BONDS; INTEREST RATE.]

Bonds authorized under this chapter shall be issued in accordance with the provisions of chapter 475 relating to bonds payable from income of revenue producing conveniences, except that public sale shall not be required, and the bonds may mature at any time or times in such amount or amounts within 30 years from date of issue and may be sold at a price equal to such percentage of the par value thereof, plus accrued interest, and bearing interest at such rate or rates, ~~not exceeding nine percent per year,~~ as may be agreed by the contracting party, the purchaser, and the municipality or redevelopment agency, notwithstanding any limitation of interest rate or cost or of the amounts of annual maturities contained in any other law. When bonds authorized under this chapter are issued, they shall state whether they are issued for a project defined in section 474.02, subdivisions 1, 1a, 1b, or 1c.”

Page 1, line 15, reinstate “Interest on”

Page 1, line 16, reinstate “obligations”

Page 1, line 17, reinstate “shall not exceed”

Page 1, line 19, after the stricken comma, insert “*the greater of (a) the rate determined pursuant to subdivision 4 for the month in which the resolution authorizing the obligations was adopted, or (b) the rate determined pursuant to subdivision 4 for the month in which the bonds are sold, or (c) the rate of ten percent per annum,*”

Page 1, line 19, reinstate “payable half yearly”

Page 1, lines 20 and 21, delete the new language

Page 2, line 6, strike “subdivision 1” and insert “*this section*”

Page 2, lines 21 and 22, strike “subdivisions 1 and 2” and insert “*this section*”

Page 2, after line 24, insert:

“*Subd. 4. [RATE DETERMINATION.] On or before the 20th day of each*

*month the commissioner of finance shall determine the most recently published yield for the Bond Buyer's Index of 20 Municipals. This rate plus one percent and rounded to the next highest percent per annum shall be the rate for the next succeeding month. The commissioner of finance shall publish the maximum rate in the state register each month.*

*Subd. 5. [INTEREST.] Obligations which are payable wholly or partly from the proceeds of special assessments or which are not secured by general obligations of the municipality may bear interest at a rate one percent greater than the maximum interest rate permitted pursuant to subdivision 1."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "repealing" and insert "providing a formula for determining"

Page 1, line 4, after "Sections" insert "474.06;"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1107: A bill for an act relating to public welfare; authorizing the commissioner of public welfare to use money in the revolving fund for vocational rehabilitation of the blind for certain purposes; removing the preference given to blind operators of vending machines who have resided in the state for a year; amending Minnesota Statutes 1980, Section 248.07, Subdivision 8.

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1771: A bill for an act relating to public welfare; providing for a mechanism in the program of aid to families with dependent children to minimize certain recipients' incentives to quit work; amending Minnesota Statutes 1980, Section 256.74, Subdivision 1, as amended.

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 709: A bill for an act relating to occupations and professions; clarifying the definition of the scope of practice of doctors of optometry by authorizing the use of topical ocular diagnostic drugs; proposing new law coded in Minnesota Statutes, Section 148.

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

Delete everything after the enacting clause and insert:

"Section 1. [148.571] [USE OF TOPICAL OCULAR DRUGS.]

*Subdivision 1. [AUTHORITY.] Subject to the provisions of sections 1 to 5, a licensed optometrist may administer topical ocular drugs to the anterior segment of the human eye during an eye examination in the course of his or her practice in his or her normal practice setting, solely for the purposes of determining the refractive, muscular, or functional origin of sources of visual discomfort or difficulty, and detecting abnormalities which may be evidence of disease.*

*Subd. 2. [DRUGS SPECIFIED.] For purposes of sections 1 to 5, "topical ocular drugs" means:*

*(1) commercially prepared topical anesthetics as follows: proparacaine HCl 0.5 percent, tetracaine HCl 0.5 percent, and benoxinate HCl 0.4 percent;*

*(2) commercially prepared mydriatics as follows: phenylephrine HCl in strength not greater than 2.5 percent and hydroxyamphetamine HBr in strength not greater than 1 percent; and*

*(3) commercially prepared cycloplegicmydriatics as follows: tropicamide in strength not greater than 1 percent and cyclopentolate in strength not greater than 1 percent.*

**Sec. 2. [148.572] [ADVICE TO SEEK DIAGNOSIS AND TREATMENT.]** *Whether or not topical ocular drugs have been used, if any licensed optometrist is informed by a patient or determines from examining a patient, using judgment and that degree of skill, care, knowledge and attention ordinarily possessed and exercised by optometrists in good standing under like circumstances, that there are present in that patient signs or symptoms which may be evidence of disease, then the licensed optometrist shall (1) promptly advise that patient to seek evaluation by an appropriate licensed physician for diagnosis and possible treatment and (2) not attempt to treat such condition by the use of drugs or any other means.*

**Sec. 3. [148.573] [PREREQUISITES TO DRUG USE.]**

*Subdivision 1. [CERTIFICATE REQUIRED.] A licensed optometrist shall not purchase, possess or administer any topical ocular drugs unless, after the effective date of this section, the optometrist has obtained a certificate from the board of optometry certifying that the optometrist has complied with the following requirements:*

*(a) Successful completion of 60 classroom hours of study in general and clinical pharmacology as it relates to the practice of optometry, with particular emphasis on the use of topical ocular drugs for examination purposes. At least 30 of the 60 classroom hours shall be in ocular pharmacology and shall emphasize the systemic effects of and reactions to topical ocular drugs, including the emergency management and referral of any adverse reactions that may occur. The course of study shall be approved by the board of optometry, and shall be offered by an institution which is accredited by a regional or professional accreditation organization recognized or approved by the Council on Post-secondary Education or the United States Department of Education or their successors. The course shall be completed prior to entering the examination required by this section;*

*(b) Successful completion of an examination approved by the board of*

optometry on the subject of general and ocular pharmacology as it relates to optometry with particular emphasis on the use of topical ocular drugs, including emergency management and referral of any adverse reactions that may occur;

(c) Successful completion, after the effective date of this section, of a course in cardiopulmonary resuscitation offered or approved by the Red Cross, American Heart Association, an accredited hospital, or a comparable organization or institution; and

(d) Establishment, after the effective date of this section, of an emergency plan for the management and referral to appropriate medical services of patients who may experience adverse drug reactions resulting from the application of topical ocular drugs. The plan must be approved by the board of optometry and shall, at least, require the optometrist to:

(1) Refer patients who notify the optometrist of an adverse drug reaction to appropriate medical specialists or facilities;

(2) Routinely advise the patient to immediately contact the optometrist if the patient experiences an adverse reaction;

(3) Place in the patient's permanent record information describing any adverse drug reaction experienced by the patient, and the date and time that any referral was made; and

(4) Include in the plan the names of at least three physicians, physician clinics, or hospitals to whom the optometrist will refer patients who experience an adverse drug reaction. At least one of these physicians shall be skilled in the diagnosis and treatment of diseases of the eye.

Subd. 2. [EXCEPTION.] The course and examination required by clauses (a) and (b) of subdivision 1 shall be completed after the effective date of this section except that the board of optometry may certify applicants who have graduated from an accredited school of optometry within two years prior to the effective date of sections 1 to 5 if the school's curriculum includes a course and examination meeting the requirements of clauses (a) and (b) of subdivision 1.

Subd. 3. [CONSULTATION REQUIRED.] Approvals of the course, examination and emergency plan required by clauses (a), (b) and (d) of subdivision 1 shall be given by the board of optometry only after consultation with the board of medical examiners and board of pharmacy, provided that the recommendations of the board of medical examiners and board of pharmacy are made within 120 days after they are requested by the board of optometry.

Sec. 4. [148.574] [PROHIBITIONS RELATING TO LEGEND DRUGS; AUTHORIZING SALES BY PHARMACISTS UNDER CERTAIN CONDITIONS.]

An optometrist shall not purchase, possess, administer, prescribe or give any legend drug as defined in section 151.01 to any person except as is expressly authorized by sections 1 to 3. Nothing in chapter 151 shall prevent a pharmacist from selling topical ocular drugs to an optometrist authorized to use such drugs pursuant to sections 1 to 3.

Sec. 5. Minnesota Statutes 1980, Section 148.57, Subdivision 3, is amended to read:

Subd. 3. [REVOICATION, SUSPENSION.] The board may revoke the license or suspend the right to practice of any person who has been convicted of any violation of sections 148.52 to 148.62 or of any other criminal offense, or who violates any provision of sections 1 to 4 or who is found by the board to be incompetent or guilty of unprofessional conduct. "Unprofessional conduct" means any conduct of a character likely to deceive or defraud the public, including, among other things, free examination advertising, the loaning of his license by any licensed optometrist to any person; the employment of "cap-pers" or "steerers" to obtain business; splitting or dividing a fee with any person; the obtaining of any fee or compensation by fraud or misrepresentation; employing directly or indirectly any suspended or unlicensed optometrist to perform any work covered by sections 148.52 to 148.62; the advertising by any means of optometric practice or treatment or advice in which untruthful, improbable, misleading, or impossible statements are made. After one year, upon application and proof that the disqualification has ceased, the board may reinstate such person."

Amend the title as follows:

Page 1, line 2, delete everything after "to"

Page 1, delete line 3 to 6 and insert "optometrists; authorizing the use of certain topical ocular drugs; providing for education, training and testing requirements; requiring an emergency treatment plan; requiring advice to patients to seek evaluation by physician under certain conditions; providing a penalty; amending Minnesota Statutes 1980, Section 148.57, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 148."

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

## SECOND READING OF SENATE BILLS

S.F. Nos. 1687, 233, 1547, 1591, 1455, 1398, 1422, 1510, 1499, 1856, 1256, 1621, 1107 and 709 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Frank moved that the name of Mr. Merriam be added as a co-author to S.F. No. 328. The motion prevailed.

Mr. Benson moved that the name of Mr. Lindgren be added as a co-author to S.F. No. 1506. The motion prevailed.

Ms. Berglin moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1589. The motion prevailed.

Mr. Sikorski moved that the names of Messrs. Knutson and Solon be added as co-authors to S.F. No. 1769. The motion prevailed.

Mr. Dicklich moved that the name of Mr. Johnson be added as a co-author to S.F. No. 1801. The motion prevailed.

Mr. Bernhagen moved that the names of Messrs. Setzepfandt and Berg be added as co-authors to S.F. No. 1843. The motion prevailed.

Mr. Hughes moved that the names of Messrs. Langseth, Humphrey,

Wegener and Rued be added as co-authors to S.F. No. 1857. The motion prevailed.

Mr. Hughes moved that the names of Messrs. Stumpf, Humphrey, Benson and Peterson, R.W. be added as co-authors to S.F. No. 1858. The motion prevailed.

Mr. Willet moved that the names of Messrs. Merriam, Johnson, Penny and Frederick be added as co-authors to S.F. No. 1859. The motion prevailed.

Mr. Chmielewski moved that S.F. No. 1497, No. 4 on the Calendar, be stricken and placed on General Orders. The motion prevailed.

Mr. Willet introduced—

Senate Resolution No. 73: A Senate resolution extending thanks to the members of the Citizen Advisory Committee to the Joint Select Legislative Committee on Forestry.

Mr. Willet moved that Senate Resolution No. 73 be laid on the table. The motion prevailed.

Mr. Stumpf moved that S.F. No. 1456 be withdrawn from the Committee on Transportation and re-referred to the Committee on Judiciary. The motion prevailed.

### CONFIRMATION

Mr. Knoll moved that the report from the Committee on Governmental Operations, reported February 8, 1982, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Knoll moved that the foregoing report be now adopted. The motion prevailed.

Mr. Knoll moved that in accordance with the report from the Committee on Governmental Operations, reported February 8, 1982, the Senate, having given its advice, do now consent to and confirm the appointments of:

### METROPOLITAN COUNCIL

Dean T. Maschka, 1965 Millwood, Roseville, Ramsey County, effective February 24, 1981, for a term expiring the first Monday in January, 1985.

Thomas W. Newcome, 2374 Joy Avenue, White Bear Lake, Ramsey County, effective February 24, 1981, for a term expiring the first Monday in January, 1985.

Joan Campbell, 947 17th Avenue SE, Minneapolis, Hennepin County, effective February 24, 1981, for a term expiring the first Monday in January, 1985.

Alton J. Gasper, 5406 Hampshire Drive, Minneapolis, Hennepin County, effective February 24, 1981, for a term expiring the first Monday in January, 1985.

Patricia Hasselmo, 516 Westwood Drive South, Golden Valley, Hennepin County, effective February 24, 1981, for a term expiring the first Monday in

January, 1985.

Roger H. Scherer, 7118 North Willow Lane, Brooklyn Center, Hennepin County, effective February 24, 1981, for a term expiring the first Monday in January, 1985.

Mary M. Hauser, 616 Hall Avenue, White Bear Lake, Washington County, effective February 24, 1981, for a term expiring the first Monday in January, 1985.

William G. Sando, Rural Route #2, Box 281, Prior Lake, Scott County, effective February 24, 1981, for a term expiring the first Monday in January, 1985.

The motion prevailed. So the appointments were confirmed.

### CONFIRMATION

Mr. Knoll moved that the report from the Committee on Governmental Operations, reported February 8, 1982, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Knoll moved that the foregoing report be now adopted. The motion prevailed.

Mr. Knoll moved that in accordance with the report from the Committee on Governmental Operations, reported February 8, 1982, the Senate, having given its advice, do now consent to and confirm the appointment of:

### METROPOLITAN COUNCIL

John F. Bergford, Jr., 2218 Mount View Avenue, Minneapolis, Hennepin County, effective April 16, 1981, for a term expiring the first Monday in January, 1983.

The motion prevailed. So the appointment was confirmed.

### CALENDAR

S.F. No. 1538: A bill for an act relating to peace officers; providing for appointment of peace officers, constables and deputy constables in towns; requiring towns to notify the peace officers standards and training board before employing law enforcement officers; amending Minnesota Statutes 1980, Sections 367.03, Subdivisions 1, 2, and 3; 367.22; 367.40, Subdivisions 3 and 4; 367.41; Minnesota Statutes 1981 Supplement, Section 367.42, Subdivision 1; repealing Minnesota Statutes 1981 Supplement, Section 382.28.

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

Mr. Knutson voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 786: A bill for an act relating to retirement; volunteer firefighters relief associations; authorizing relief associations to increase retirement benefit and service pension amounts without municipal ratification in certain instances; amending Minnesota Statutes 1980, Sections 69.772, Subdivision 6; 69.773, Subdivision 6; and 424A.02, 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 59 and nays 4, as follows:

Those who voted in the affirmative were:

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

Ms. Berglin; Messrs. Moe, D. M.; Pillsbury and Renneke voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 787: A bill for an act relating to retirement; volunteer firefighters relief associations; financing and benefit amounts; amending Minnesota Statutes 1980, Sections 69.772, Subdivision 2a; 424.01; 424.02; 424.04; 424.16; 424.17; and 24A.02, Subdivisions 3, 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 59 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	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	Tennessee
Bernhagen	Johnson	Merriam	Rued	Ulland
Bertram	Keefe	Moe, D. M.	Schmitz	Vega
Brataas	Knoll	Moe, R. D.	Setzepfandt	Waldorf
Chmielewski	Knutson	Olhoft	Sieloff	Wegener
Dahl	Kroening	Penny	Sikorski	Willet
Davies	Kronebusch	Peterson, C.C.	Solon	

Messrs. Kamrath and Renneke voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1239: A bill for an act relating to the operation of state government; authorizing the state board of investment to employ investment management firms to invest certain funds on its behalf; appropriating money; amending Minnesota Statutes 1980, Section 11A.04.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

### GENERAL ORDERS

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

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

S.F. No. 1088 and H.F. No. 1612, which the committee recommends to pass.

H.F. No. 552, which the committee recommends to pass with the following amendment offered by Mr. Peterson, R.W.:

Page 1, line 20, strike everything after "misdemeanor"

Page 1, strike line 21

Page 1, strike line 22 except the period

The motion prevailed. So the amendment was adopted.

S.F. No. 1539, which the committee recommends to pass with the following amendments offered by Messrs. Setzepfandt and Ashbach:

Mr. Setzepfandt moved to amend S. F. No. 1539 as follows:

Page 2, lines 4, 8, 12, 19, 23, 27, 31, and 35, reinstate the stricken language and after "1980" insert ", as amended through"

Page 3, lines 3, 7, 11, 15, 19 and 24, reinstate the stricken language and after "1980" insert ", as amended through"

The motion prevailed. So the amendment was adopted.

Mr. Ashbach moved to amend S. F. No. 1539 as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1981 Supplement, 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 pilot and chief pilot positions*, 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."

Page 3, line 26, after "Section" delete "1" and insert "2"

Page 3, lines 28 and 30, delete "1" and insert "2"

Page 3, line 30, after the period insert "Section 1 is effective July 1, 1982."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "Subdivision 1" insert "; and Minnesota Statutes 1981 Supplement, Section 179.74, Subdivision 4"

The motion prevailed. So the amendment was adopted.

S.F. No. 1497, which the committee recommends to pass with the following amendment offered by Mr. Chmielewski:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 395.08, is amended to read:

395.08 [APPROPRIATIONS FOR CERTAIN AGRICULTURAL DEVELOPMENTS.]

The board of county commissioners of any county in this state may appropriate annually out of the general revenue fund of ~~such the~~ county, a sum of money ~~not exceeding a sum equal to five cents per capita of the population of such county according to the latest federal census of such county~~ and not to exceed \$25,000 for any one county. ~~Such~~ The sum so appropriated shall be paid to any incorporated development society or organization of this state which, in the opinion of the board, will use ~~such the~~ money for the best interests of the county in promoting, advertising, improving, or developing the economic and agricultural resources of the county; ~~and such other matter as may tend to a development of the county."~~

Amend the title as follows:

Page 1, line 2, delete "Carlton and Cook"

Page 1, line 4, before the period, insert "; amending Minnesota Statutes 1980, Section 395.08"

The motion prevailed. So the amendment was adopted.

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

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Ms. Berglin introduced—

S.F. No. 1863: A bill for an act relating to criminal penalties; providing for additional fines for drivers convicted of driving while intoxicated or for violations of the implied consent law; amending Minnesota Statutes 1981 Supplement, Sections 609.101; and 626.861, Subdivision 1.

Referred to the Committee on Judiciary.

Mrs. Kronebusch, Messrs. Petty, Ramstad, Ms. Berglin and Mr. Peterson, D.L. introduced—

S.F. No. 1864: A bill for an act relating to the legislature; repealing the reduction in membership of the council on the economic status of women; amending Minnesota Statutes 1981 Supplement, Section 3.9222, Subdivision 2, as amended; repealing Laws 1981, Third Special Session Chapter 2, Article I, Section 8.

Referred to the Committee on Governmental Operations.

Messrs. Tennesen and Petty introduced—

S.F. No. 1865: A bill for an act relating to cable communications; changing

the definition of cable communications system; reducing the number of days available to the metropolitan council for review of cable service territory proposals; conforming the certificate of confirmation term to the franchise term; authorizing rules preventing obstruction of service to multiple unit dwellings; providing to municipalities the option concerning cable service rates information included in a franchise; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.05, Subdivision 7; and by adding a subdivision; 238.09, Subdivisions 6 and 7, and by adding a subdivision; 238.12, by adding a subdivision; repealing Minnesota Statutes 1980, Section 238.12, Subdivisions 1 and 2.

Referred to the Committee on Commerce.

Mr. Menning introduced—

S.F. No. 1866: A bill for an act relating to counties; providing for meetings of the county board of commissioners; amending Minnesota Statutes 1980, Section 375.07.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Menning introduced—

S.F. No. 1867: A bill for an act relating to retirement; Edgerton volunteer ambulance service retirement fund; authorizing the establishment and maintenance of the retirement fund; validating prior municipal contributions and prior pension payments.

Referred to the Committee on Public Employees and Pensions.

Messrs. Wegener and Solon introduced—

S.F. No. 1868: A bill for an act relating to public welfare; authorizing payment of claims for medical assistance from homestead property which is part of an estate; amending Minnesota Statutes 1981 Supplement, Section 525.145.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Schmitz introduced—

S.F. No. 1869: A bill for an act relating to Carver County; permitting the county to make electronic funds transfers.

Referred to the Committee on Commerce.

Mr. Schmitz introduced—

S.F. No. 1870: A bill for an act relating to highway traffic regulations; regulating speed limits and hours when speed limits are in effect within school zones; amending Minnesota Statutes 1980, Section 169.14, Subdivision 5a.

Referred to the Committee on Transportation.

Messrs. Davis; Kroening; Peterson, D.L.; Bertram and Johnson introduced—

S.F. No. 1871: A bill for an act relating to taxation; extending class 3

property to certain property owned by certain fraternal beneficiary societies or associations for community service; amending Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Wegener, Olhoft, Humphrey, Davis and Setzepfandt introduced—

S.F. No. 1872: A bill for an act relating to real property; providing for relief in certain cases from inequitable foreclosure of mortgages, termination of contracts for the conveyance of real estate, and execution sales of real property during an emergency declared by the governor; authorizing the governor to declare by proclamation a public economic emergency under certain conditions, limiting its duration, and providing nullifying powers in the legislature; postponing certain sales and extending the period of redemption of real property during an emergency; providing for possession during the extended period; and limiting the right to maintain actions for deficiency judgments.

Referred to the Committee on Judiciary.

Messrs. Chmielewski, Olhoft, Renneke and Ashbach introduced—

S.F. No. 1873: A bill for an act relating to the state agricultural society; updating and clarifying certain powers and duties of the society; amending Minnesota Statutes 1980, Sections 37.01; 37.04, Subdivision 3; 37.05; 37.06; 37.17, subdivisions 1, 2, and by adding a subdivision; 37.18; 37.19; 37.20; 37.21; and 37.22; repealing Minnesota Statutes 1980, Section 37.23; Minnesota Statutes 1981 Supplement, Sections 37.17, Subdivision 3; and 37.27.

Referred to the Committee on General Legislation and Administrative Rules.

Messrs. Moe, D.M. and Dieterich introduced—

S.F. No. 1874: A bill for an act relating to the prevention of crime; private security; providing for the registration and training of security guards; setting forth criteria for the use of deadly force by security guards; prescribing penalties; amending Minnesota Statutes 1980, Sections 326.32, by adding a subdivision; 326.33, Subdivision 1; 326.331; 326.332, Subdivision 1; 326.333; 326.336, by adding subdivisions; 326.338, Subdivision 2; and proposing new law coded in Minnesota Statutes, Chapter 326.

Referred to the Committee on Governmental Operations.

Mrs. Lanry introduced—

S.F. No. 1875: A bill for an act relating to the city of St. Paul; establishing certain taxes.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Nelson introduced—

S.F. No. 1876: A bill for an act relating to gambling; increasing the amount of compensation for assistants at a bingo occasion; amending Minnesota Stat-

utes 1980, Section 349.17, Subdivision 1.

Referred to the Committee on General Legislation and Administrative Rules.

Mrs. Lantry introduced—

S.F. No. 1877: A bill for an act relating to the city of Saint Paul; authorizing the issuance of bonds to provide funds to repair, remodel, construct or reconstruct the civic center facilities.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Waldorf introduced—

S.F. No. 1878: A bill for an act relating to state historic sites; the Old Federal Courts building; amending Minnesota Statutes 1980, Section 138.56, Subdivision 7.

Referred to the Committee on General Legislation and Administrative Rules.

Messrs. Setzepfandt; Johnson; Peterson, C.C.; Bernhagen and Olhoft introduced—

S.F. No. 1879: A bill for an act relating to state government; allowing for disclosures of information between the commissioner of revenue and the department of economic security; amending Minnesota Statutes 1980, Section 268.12, Subdivision 12; and Minnesota Statutes 1981 Supplement, Section 290.61.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin and Mr. Solon introduced—

S.F. No. 1880: A bill for an act relating to public welfare; requiring vendors of medical care participating in any public assistance program to provide care to all public assistance recipients; prohibiting discrimination against public assistance recipients through denial of medical care or treatment because of program reimbursement limits; amending Minnesota Statutes 1980, Sections 256B.064, by adding a subdivision; and 363.03, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Ms. Berglin, Messrs. Keefe and Ramstad introduced—

S.F. No. 1881: A bill for an act relating to courts; authorizing the continuance of the office of court referee in the second and fourth judicial districts; amending Minnesota Statutes 1981 Supplement, Section 484.70, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Knoll introduced—

S.F. No. 1882: A bill for an act relating to taxation; providing for conform-

ity to federal income tax treatment of contributions to individual retirement accounts and Keogh plans; amending Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Dahl, Petty, Waldorf, Davies and Renneke introduced—

S.F. No. 1883: A bill for an act relating to crimes; prohibiting driving a motor vehicle when impaired by alcohol; providing prima facie evidentiary standards for determining if persons were driving while impaired or under the influence of alcohol; requiring blood, breath or urine tests of surviving drivers involved in accidents; authorizing written blood sample reports; amending Minnesota Statutes 1980, Sections 169.121, Subdivisions 1, 2, 3, and 4; 169.123, Subdivisions 2, 3, 4, 6, and by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Belanger, Frederickson, Peterson, C.C.; Engler and Bertram introduced—

S.F. No. 1884: A bill for an act relating to waters; regulating nonmotorized paddle boats; amending Minnesota Statutes 1980, Sections 361.02, by adding a subdivision; and 361.03, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Frank, Dahl, Petty and Mrs. Stokowski introduced—

S.F. No. 1885: A bill for an act relating to public utilities; specifying the appropriate treatment of certain advertising expenses and charitable contributions; amending Minnesota Statutes 1980, Section 216B.16, Subdivisions 8 and 9.

Referred to the Committee on Commerce.

Messrs. Dahl, Frank, Petty and Waldorf introduced—

S.F. No. 1886: A bill for an act relating to energy; specifying the role of the department of energy, planning and development before the public utilities commission; clarifying certain public utilities commission responsibilities; amending Minnesota Statutes 1980, Sections 116H.02, Subdivision 5; and 216B.03; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.11, by adding a subdivision; and 216B.241, Subdivision 2.

Referred to the Committee on Energy and Housing.

Ms. Berglin, Messrs. Solon, Waldorf and Lindgren introduced—

S.F. No. 1887: A bill for an act relating to corrections; creating the Minnesota board of supervised release; prescribing its powers and duties; appropriating money; amending Minnesota Statutes 1980, Sections 241.05, Subdivisions 1, 2, 3, 3a, and by adding a subdivision; 244.01, Subdivision 7, and by adding a subdivision; 244.05, Subdivisions 2, 3, and 5; 244.06; 244.065; Minnesota Statutes 1981 Supplement, Sections 241.045, Subdivision 6; and 243.05; repealing Minnesota Statutes 1980, Sections 241.045, Subdivisions 7



and 8; 243.07; 243.10; 243.12; and 244.08.

Referred to the Committee on Health, Welfare and Corrections.

Mrs. Lantry, Messrs. Hughes and Merriam introduced—

S.F. No. 1888: A bill for an act relating to education; requiring welfare and correctional institutions to submit an educational policy to the commissioner of education; proposing new law coded in Minnesota Statutes, Chapter 121.

Referred to the Committee on Education.

Messrs. Lindgren, Davis, Ashbach and Peterson, D.L. introduced—

S.F. No. 1889: A bill for an act relating to the legislature; reestablishing a legislative buildings commission; providing for its duties; proposing new law coded in Minnesota Statutes, Chapter 3; repealing Minnesota Statutes 1980, Section 3.473.

Referred to the Committee on Governmental Operations.

Messrs. Keefe; Peterson, R.W.; Davies; Knutson and Sieloff introduced—

S.F. No. 1890: A bill for an act relating to real property; providing for the modification and extension of contracts for deed; proposing new law coded in Minnesota Statutes, Chapter 508.

Referred to the Committee on Judiciary.

Messrs. Sieloff, Berg, Rued, Setzepfandt and Peterson, D.L. introduced—

S.F. No. 1891: A bill for an act relating to real property; providing for relief in certain cases from inequitable foreclosure of mortgages, termination of contracts for the conveyance of real estate, and execution sales of real property during an emergency declared by the governor; authorizing the governor to declare by proclamation a public economic emergency under certain conditions, limiting its duration, and providing nullifying powers in the legislature; postponing certain sales and extending the period of redemption of real property during an emergency; providing for possession during the extended period; and limiting the right to maintain actions for deficiency judgments; proposing new law coded in Minnesota Statutes, Chapter 4.

Referred to the Committee on Judiciary.

Mr. Sieloff introduced—

S.F. No. 1892: A bill for an act relating to courts; authorizing the Ramsey County commissioners to set fees for conciliation court causes removed to municipal court; amending Minnesota Statutes 1981 Supplement, Section 488A.34, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Solon, Johnson and Frank introduced—

S.F. No. 1893: A bill for an act relating to commerce; petroleum products;

requiring producers or refiners to sell retail service stations to franchisees in certain circumstances; requiring the producer or refiner to provide financing; providing remedies; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 325E.

Referred to the Committee on Commerce.

Messrs. Waldorf, Humphrey, Dahl and Bernhagen introduced—

S.F. No. 1894: A bill for an act relating to energy; transferring certain duties to the commissioner of the department of energy, planning and development; amending Minnesota Statutes 1980, Sections 16.86, Subdivisions 4 and 5; 116H.02, by adding a subdivision; 394.25, Subdivision 2; 462.357, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.088, Subdivision 1; 116H.095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.12, Subdivision 4; 116H.128; 116H.18; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; 116H.19, Subdivision 2.

Referred to the Committee on Energy and Housing.

Mr. Ashbach introduced—

S.F. No. 1895: A bill for an act relating to no-fault automobile insurance; providing for reduced premiums for certain qualified drivers; proposing new law coded in Minnesota Statutes, Chapter 65B.

Referred to the Committee on Commerce.

Mr. Olhoft introduced—

S.F. No. 1896: A bill for an act relating to human rights; allowing discrimination based on marital status under certain circumstances; amending Minnesota Statutes 1980, Section 363.02, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Bertram and Willet introduced—

S.F. No. 1897: A bill for an act relating to veterans; providing for the furnishing of chiropractic care to residents of the Minnesota veterans home; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 198.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Dicklich, Johnson and Kroening introduced—

S.F. No. 1898: A bill for an act relating to taxation; imposing a tax on the gross earnings of individuals, estates, and trusts; reducing the rate of income tax on individuals, estates, and trusts; amending Minnesota Statutes 1981 Supplement, Section 290.06, Subdivisions 2c and 3d; proposing new law coded in Minnesota Statutes, Chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Penny, Rued and Sikorski introduced—

S.F. No. 1899: A bill for an act relating to trunk highways; requiring reimbursement of local expenses for combating fire and combating the release of toxic and hazardous chemicals originating in trunk highway right-of-way; amending Minnesota Statutes 1981 Supplement, Section 161.465.

Referred to the Committee on Transportation.

Messrs. Purfeerst and Solon introduced—

S.F. No. 1900: A bill for an act relating to waters; making the water well contractors and exploratory borers advisory council permanent; amending Minnesota Statutes 1980, Section 156A.06, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Berglin, Messrs. Luther, Spear and Solon introduced—

S.F. No. 1901: A bill for an act relating to employment; providing for equitable compensation relationships among certain government employees; appropriating money; amending Minnesota Statutes 1981 Supplement, Sections 43A.01, by adding a subdivision; 43A.02, by adding subdivisions; 43A.05, by adding a subdivision; and 43A.18, Subdivision 8; proposing new law coded in Minnesota Statutes, Chapter 137.

Referred to the Committee on Public Employees and Pensions.

Mr. Dicklich introduced—

S.F. No. 1902: A bill for an act relating to the city of Hibbing; providing for the size of the Hibbing public utilities commission.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Chmielewski, Frederick and Peterson, C.C. introduced—

S.F. No. 1903: A bill for an act relating to economic development; excepting motor carriers from the definition of "business license;" amending Minnesota Statutes 1981 Supplement, Section 362.452, Subdivision 2a.

Referred to the Committee on Commerce.

Messrs. Merriam and Lindgren introduced—

S.F. No. 1904: A bill for an act relating to taxation; changing certain requirements for school district levy referenda; amending Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 2d.

Referred to the Committee on Education.

Messrs. Merriam and Frank introduced—

S.F. No. 1905: A bill for an act relating to education; changing the dates relating to maximum effort debt service levy; amending Minnesota Statutes 1981 Supplement, Section 124.38, Subdivision 7.

Referred to the Committee on Education.

Messrs. Chmielewski, Frederick, Schmitz and Ramstad introduced—

S.F. No. 1906: A bill for an act relating to education and public data on individuals; requiring the disclosure of names, addresses, telephone numbers and dates of birth of students in secondary schools to recruiting officers for any branch of the United States armed forces unless the parents request in writing that the information not be released; requiring certain procedures to be followed prior to release; restricting the dissemination of disclosed information; amending Minnesota Statutes 1980, Section 15.1693, Subdivision 2, and by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Merriam introduced—

S.F. No. 1907: A bill for an act relating to real property; requiring certification by the municipality prior to transfer by the county auditor of certain unplatted properties; proposing new law coded in Minnesota Statutes, Chapter 272.

Referred to the Committee on Judiciary.

Mr. Merriam introduced—

S.F. No. 1908: A bill for an act relating to waters and watercraft safety; clarifying certain watercraft definitions and changing registration fees; amending Minnesota Statutes 1980, Sections 361.02, by adding subdivisions; and 361.03, Subdivision 3.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Pehler introduced—

S.F. No. 1909: A bill for an act relating to air pollution; allowing certain cities and towns to adopt ordinances to permit and regulate open burning of leaves; amending Minnesota Statutes 1980, Section 116.07, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Berglin introduced—

S.F. No. 1910: A bill for an act relating to public welfare; requiring preadmission screening for patients entering nursing homes from hospitals; requiring hospital discharge planners to attend certain preadmission screening assessments; allowing recipient choice between long term care and alternative care; modifying cost limits for alternative care; amending Minnesota Statutes 1980, Section 256B.091, Subdivisions 2, 4, and 6; and Minnesota Statutes 1981 Supplement, Section 256B.091, Subdivision 8.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Frank, Petty and Spear introduced—

S.F. No. 1911: A bill for an act relating to commerce; requiring the commissioner of public safety to adopt fire extinguisher licensing and certification

rules; providing exceptions; proposing new law coded in Minnesota Statutes, Chapter 299F.

Referred to the Committee on Commerce.

Messrs. Rued, Frederickson, Setzepfandt and Wegener introduced—

S.F. No. 1912: A bill for an act relating to local government; providing for the examination of town accounts by the state auditor pursuant to petition or resolution; amending Minnesota Statutes 1980, Sections 6.54; and 6.55.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Knoll; Solon; Moe, R.D.; Peterson, C.C. and Ashbach introduced—

S.F. No. 1913: A bill for an act relating to state government; establishing a chemical dependency board; transferring powers and duties to the new board from the alcohol and other drug abuse section; abolishing the alcohol and other drug abuse section; proposing new law coded as Minnesota Statutes, Chapter 254B; repealing Minnesota Statutes 1980, Sections 254A.01; 254A.02; 254A.03, Subdivision 2; 254A.031; 254A.04; 254A.07, Subdivision 1; 254A.08, Subdivision 2; 254A.10; 254A.12; 254A.14; 254A.15; 254A.16; Minnesota Statutes 1981 Supplement, Sections 254A.03, Subdivisions 1 and 3; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; and 254A.09.

Referred to the Committee on Governmental Operations.

Messrs. Humphrey, Dahl, Ramstad and Hanson introduced—

S.F. No. 1914: A bill for an act relating to criminal justice; providing for appointment of a peace officer to the sentencing guidelines commission; amending Minnesota Statutes 1980, Section 244.09, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Pehler and Davis introduced—

S.F. No. 1915: A bill for an act relating to solid waste; directing a legislative study of solid waste utilization in the St. Cloud area; appropriating funds.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Dicklich introduced—

S.F. No. 1916: A bill for an act relating to taxation; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; amending Minnesota Statutes 1980, Sections 278.01; and 278.05, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Willet introduced—

S.F. No. 1917: A bill for an act relating to Independent School District No.

176, Pillager; authorizing the school board to transfer money from the capital expenditure fund to the general fund before June 30, 1983.

Referred to the Committee on Education.

Messrs. Merriam, Dahl and Frank introduced—

S.F. No. 1918: A bill for an act relating to manufactured homes; requiring manufacturers and dealers of manufactured homes to be licensed and regulated by the commissioner of administration; providing for the rights and duties of owners and residents of manufactured home parks; making certain changes in the procedure for titling manufactured homes; requiring park owners to adopt storm safety plans for the protection of residents; empowering municipalities to enforce certain ordinances within manufactured home parks and recreational camping areas; clarifying the procedures to be used in the repossession of a manufactured home; clarifying certain language; prohibiting certain practices; imposing fees and penalties; providing remedies; defining terms; proposing new law coded in Minnesota Statutes, Chapter 168A; proposing new law coded as Minnesota Statutes, Chapters 327B and 327C; amending Minnesota Statutes 1980, Sections 168A.02, Subdivision 3; 327.14; 327.16, Subdivision 2; 327.20, Subdivision 1; 327.24, by adding a subdivision; 327.26; 327.27, Subdivision 2, and by adding a subdivision; 327.62, Subdivision 2; 327.63; 327.65; 327.66; 363.02, by adding a subdivision; and 566.18, Subdivisions 2, 7, and 8; repealing Minnesota Statutes 1980, Sections 327.41; 327.42; 327.43; 327.45; 327.451; 327.452; 327.46; 327.47; 327.51; 327.52; 327.53; 327.54; 327.55; 327.551; 327.552; 327.553, Subdivisions 2, 3 and 4; 327.554; 327.56; and Minnesota Statutes 1981 Supplement, Sections 327.44; 327.441; 327.55, Subdivision 1a; and 327.553, Subdivision 1.

Referred to the Committee on Energy and Housing.

Mr. Davis introduced—

S.F. No. 1919: A bill for an act relating to local government; allowing cities to impose gravel taxes; amending Minnesota Statutes 1981 Supplement, Section 298.75, as amended.

Referred to the Committee on Taxes and Tax Laws.

Mr. Davis introduced—

S.F. No. 1920: A bill for an act relating to local government; permitting towns to issue off-sale liquor licenses; amending Minnesota Statutes 1980, Section 368.01, by adding a subdivision.

Referred to the Committee on Commerce.

Messrs. Pehler and Davis introduced—

S.F. No. 1921: A bill for an act relating to the legislature; creating a legislative fiscal office; requiring fiscal notes to accompany certain bills and administrative rules; appropriating money; amending Minnesota Statutes 1980, Sections 3.98, Subdivision 1; 15.0412, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 3; repealing Minnesota Statutes 1980, Section 3.98.

Referred to the Committee on Governmental Operations.

Mr. Ashbach introduced—

S.F. No. 1922: A bill for an act relating to the organization and operation of state government; providing for salary supplements for employees of the University of Minnesota and removing certain provisions related to the salary supplements; amending Laws 1981, Chapter 359, Section 7, Subdivision 2.

Referred to the Committee on Finance.

Messrs. Tennessen, Ramstad, Davies, Olhoft and Merriam introduced—

S.F. No. 1923: A bill for an act relating to liquor; making certain sales of non-intoxicating malt liquor illegal; providing civil liability for illegal sales of intoxicating liquor and non-intoxicating malt liquor; amending Minnesota Statutes 1980, Sections 340.035, Subdivision 1; 340.14, Subdivision 1a; 340.73 and 340.95; proposing new law coded in Minnesota Statutes, Chapter 340; repealing Minnesota Statutes 1980, Section 340.951.

Referred to the Committee on Judiciary.

Messrs. Menning, Frederickson and Kamrath introduced—

S.F. No. 1924: A bill for an act relating to courts; authorizing the county board of the fifth judicial district to set the salaries of court reporters; proposing new law coded in Minnesota Statutes, Chapter 486.

Referred to the Committee on Judiciary.

Messrs. Menning, Kamrath and Chmielewski introduced—

S.F. No. 1925: A bill for an act relating to education; requiring the board of teaching and the state board of education to accept certain life experiences in lieu of a training program containing human relations components for issuance or renewal of a license in education; amending Minnesota Statutes 1980, Section 125.05, by adding a subdivision.

Referred to the Committee on Education.

Messrs. Rued, Ramstad, Frederickson and Ulland introduced—

S.F. No. 1926: A bill for an act relating to constitutional amendments; proposing an amendment to the people to change the majority necessary to approve a constitutional amendment at an election to a majority of those voting on the question rather than a majority of those voting at the election.

Referred to the Committee on Governmental Operations.

Messrs. Dieterich; Moe, D.M.; Mrs. Lantry; Messrs. Ashbach and Sieloff introduced—

S.F. No. 1927: A bill for an act relating to Ramsey County; providing duties for the county surveyor; amending Laws 1974, Chapter 435, Section 3.151, as amended.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Spear, Dieterich, Lindgren and Sikorski introduced—

S.F. No. 1928: A bill for an act relating to public welfare; providing for regulation of aversive or deprivation procedures for behavior modification of mentally retarded, mentally ill, or chemically dependent individuals in order that the procedures are appropriately selected, planned, and implemented with due regard for human rights and needs; establishing a penalty; proposing new law coded in Minnesota Statutes, Chapter 245.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Johnson introduced—

S.F. No. 1929: A bill for an act relating to liquor; permitting counties to issue off-sale licenses in unincorporated areas; amending Minnesota Statutes 1980, Section 340.11, Subdivision 10a.

Referred to the Committee on Commerce.

Messrs. Solon and Stern introduced—

S.F. No. 1930: A bill for an act relating to financial institutions; authorizing bank or trust company investment in community welfare projects; amending Minnesota Statutes 1980, Section 48.61, by adding a subdivision.

Referred to the Committee on Commerce.

Ms. Berglin, Messrs. Johnson, Vega, Berg and Frederick introduced—

S.F. No. 1931: A bill for an act relating to taxation; providing a system of levy limitations to apply to certain units of local government; amending Minnesota Statutes 1980, Section 275.51, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 275.50, Subdivisions 2 and 5, as amended; 275.51, Subdivision 4; repealing Minnesota Statutes 1981 Supplement, Sections 275.13, Subdivision 15b; and 275.51, Subdivision 3e, as amended; proposing new law coded in Minnesota Statutes, Chapter 275.

Referred to the Committee on Taxes and Tax Laws.

Mr. Pillsbury introduced—

S.F. No. 1932: A bill for an act relating to local government; changing certain notice requirements and meeting dates; establishing a homestead credit replacement aid formula; abolishing the homestead credit; altering the maximum amounts of property tax refunds for taxes payable; establishing the procedure for replacing the revenue lost by the reduced assessment of class 4c property; tying payments to local units of government to sales tax revenues; appropriating money; amending Minnesota Statutes 1980, Sections 270.12, Subdivisions 2 and 3; 270.13; 273.13, Subdivision 8a, and by adding a subdivision; 274.01, Subdivision 1; 274.14; 290A.04, Subdivision 3, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 273.13, Subdivisions 4, 6, 7, and 9; 273.139, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 273 and 477A; repealing Minnesota Statutes 1980, Sections 273.115, as amended; 273.116, as amended; 273.121; 273.13, Subdivisions 7a, 14, 14a, and 18; 273.139, Subdivisions 1 and 2;



Minnesota Statutes 1981 Supplement, Sections 124.213; and 273.13, Subdivisions 15a and 15b.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Kronebusch, Messrs. Rued and Engler introduced—

S.F. No. 1933: A bill for an act relating to public safety; providing that certain fines and forfeited bail money collected from persons violating motor vehicle weight laws and apprehended by the state patrol by means of stationary or portable scales be allocated between the state and certain political subdivisions; amending Minnesota Statutes 1981 Supplement, Section 299D.03, Subdivision 5.

Referred to the Committee on Transportation.

Messrs. Davies, Ashbach, Rued and Purfeerst introduced—

S.F. No. 1934: A bill for an act relating to local government; fixing various conditions for the use of day labor by political subdivisions; amending Minnesota Statutes 1980, Section 471.345.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Chmielewski, Johnson, Dicklich and Moe, R.D. introduced—

S.F. No. 1935: A bill for an act relating to taxation; providing an income tax credit for employers who create new jobs; proposing new law coded in Minnesota Statutes, Chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Ulland, Berg and Frederick introduced—

S.F. No. 1936: A bill for an act relating to taxation; making technical corrections and administrative changes to the income tax and property tax refund; amending Minnesota Statutes 1980, Sections 290.012, Subdivision 2; 290.02; 290.03; 290.06, Subdivisions 9 and 9a; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivision 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.36; 290.45, Subdivision 1; 290.49, Subdivisions 3, 7; and by adding a subdivision; 290.53, by adding a subdivision; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivision 13; 290.93, Subdivision 9; 290.936; 290A.11, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivisions 20 and 27; 290.05, Subdivisions 1 and 4; 290.075; 290.081; 290.09, Subdivisions 2, 4, and 15; 290.091; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.18, Subdivisions 1 and 2; 290.21, Subdivision 3; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41; Subdivision 2; 290.42; 290.431; 290.92, Subdivisions 2a, 5, 5a, and 6; 290.93, Subdivisions 1 and 10; 290.9725; 290.974; 290A.03, Subdivisions 3 and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 290; repealing Minnesota Statutes 1980, Sections 62E.03, Subdivision 2; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and

5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.973; and Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6; 290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; and 290.971, Subdivision 7.

Referred to the Committee on Taxes and Tax Laws.

Mr. Kamrath introduced—

S.F. No. 1937: A bill for an act relating to the city of Madison; authorizing the city to make certain loans from its public utilities fund to promote economic development in the city; repealing Laws 1967, Chapter 239.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Rued, Johnson and Petty introduced—

S.F. No. 1938: A bill for an act relating to occupations and professions; cosmetology; providing for the licensing of cosmetologists and certain related occupations; establishing a board of cosmetology; providing for the powers, duties, terms, compensation, and removal of members; authorizing the board to promulgate rules; prescribing penalties; appropriating money; proposing new law coded as Minnesota Statutes, Chapter 155B; repealing Minnesota Statutes 1981 Supplement, Sections 155A.01 to 155A.18.

Referred to the Committee on Governmental Operations.

Messrs. Engler, Frederick and Bang introduced—

S.F. No. 1939: A bill for an act relating to highway traffic regulations; making the accident report available to governmental agencies for specified purposes; authorizing a fee for copies of the accident report; amending Minnesota Statutes 1980, Section 169.09, Subdivision 13.

Referred to the Committee on Transportation.

Messrs. Engler, Frederick and Bang introduced—

S.F. No. 1940: A bill for an act relating to motor vehicles; providing for the display of license plates; requiring two license plates on farm trucks; amending Minnesota Statutes 1981 Supplement, Section 169.79.

Referred to the Committee on Transportation.

Mr. Knoll, Ms. Berglin and Mr. Waldorf introduced—

S.F. No. 1941: A bill for an act relating to municipal housing; authorizing the planning, implementation, and financing of rehabilitation and energy improvement loans; amending Minnesota Statutes 1980, Sections 462C.01; 462C.02, Subdivisions 3, 4 and 5, and by adding subdivisions; 462C.03, as amended; 462C.04, Subdivision 2; 462C.05, Subdivisions 2 and 5; 462C.07, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 462C.05, Sub-

divisions 1 and 3; and 462C.09; repealing Minnesota Statutes 1981 Supplement, Section 462C.07, Subdivision 2.

Referred to the Committee on Energy and Housing.

Messrs. Knoll, Belanger and Humphrey introduced—

S.F. No. 1942: A bill for an act relating to housing; authorizing a housing interest reduction program for housing and redevelopment authorities; amending Minnesota Statutes 1980, Sections 462.421, Subdivision 14; 462.445, by adding subdivisions; and 462.545, Subdivision 1.

Referred to the Committee on Energy and Housing.

Messrs. Peterson, C.C.; Olhoff; Stern; Ramstad and Waldorf introduced—

S.F. No. 1943: A bill for an act relating to crimes; providing that motor vehicles of persons convicted of a second violation of driving under the influence of alcohol or a controlled substance are subject to forfeiture; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 169.

Referred to the Committee on Judiciary.

Mr. Humphrey introduced—

S.F. No. 1944: A bill for an act relating to no-fault automobile insurance; directing the commissioner of public safety to promulgate rules requiring persons to identify their insurance agents and requiring insurance agents to report when required insurance is not in force; amending Minnesota Statutes 1980, Section 65B.68, by adding a subdivision.

Referred to the Committee on Commerce.

Messrs. Belanger, Bang and Lindgren introduced—

S.F. No. 1945: A bill for an act relating to the city of Bloomington; regulating the port authority of the city of Bloomington; permitting the issuance of bonds to provide for improvements in a development district and the use of tax increments derived from the development district; requiring city council consent to certain port authority action; amending Laws 1980, Chapter 453, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sieloff, Kamrath, Berg, Ulland and Lindgren introduced—

S.F. No. 1946: A bill for an act relating to taxation; income; property tax refund; adopting certain federal income tax amendments; limiting the income tax investment credit subtraction; adopting full accelerated cost recovery system for individuals and corporations; reducing the income tax rate for corporations; amending Minnesota Statutes 1980, Section 290.16, Subdivisions 15, as amended, and 16, as amended; Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 20, as amended; 290.06, Subdivision 1, as amended; 290.09, Subdivisions 7, as amended, and 29; 290.091, as amended; 290.92, Subdivision 15; 290.93, Subdivision 1; 290.934, Subdivision 4; 290A.03, Subdivision 3; repealing Minnesota Statutes 1980, Section 290.65,

Subdivisions 2, 3, 4, 5, 6, and 7.

Referred to the Committee on Taxes and Tax Laws.

Mr. Hanson introduced—

S.F. No. 1947: 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, Subdivisions 10 and 13; 273.74, Subdivisions 1, 3 and 4, and by adding a subdivision; 273.75, Subdivisions 3, 4 and 6, and by adding a subdivision; 273.76, Subdivisions 1 and 4; and 273.77; and Minnesota Statutes 1981 Supplement, Section 273.74, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Luther and Merriam introduced—

S.F. No. 1948: A bill for an act relating to the Hennepin County park reserve district; authorizing the district to participate in hydroelectric power generation with other local government units under certain conditions.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Petty, Peterson, R.W. and Taylor introduced—

S.F. No. 1949: A bill for an act relating to state departments and agencies; secretary of state; eliminating and simplifying certain filings; amending Minnesota Statutes 1980, Sections 303.14, Subdivision 3, as amended; 333.001, Subdivisions 2 and 3; Minnesota Statutes 1981 Supplement, Sections 301.071, Subdivision 2; 301.42, Subdivision 4; 303.05, Subdivision 1; and 322A.16; repealing Minnesota Statutes 1981 Supplement, Sections 301.06, Subdivision 3; 301.07; 301.071, Subdivision 1; and 301.33, Subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Petty, Dahl, Sieloff, Hanson and Tennesen introduced—

S.F. No. 1950: A bill for an act relating to corporations; correcting certain errors; removing certain deficiencies and ambiguities; and amending Minnesota Statutes 1981 Supplement, Sections 300.083, Subdivision 2; 300.49, Subdivision 1; 302A.011, Subdivisions 4, 10, 17, 21, 25, 29, 30, and 31; 302A.021, Subdivisions 2, 4, 7, and 8; 302A.111, Subdivisions 2, 3, and 4; 302A.115, Subdivision 2; 302A.123; 302A.131; 302A.135, Subdivisions 2 and 4; 302A.181, Subdivision 3; 302A.201, Subdivision 2; 302A.207; 302A.235; 302A.239, Subdivision 1; 302A.241, Subdivisions 1 and 2; 302A.243; 302A.251, Subdivisions 2 and 3; 302A.255, Subdivision 1; 302A.401, Subdivision 2; 302A.403, Subdivisions 2 and 4; 302A.405, Subdivision 1; 302A.413, Subdivision 4; 302A.431, Subdivision 2; 302A.433, Subdivisions 1 and 2; 302A.435, Subdivision 1; 302A.437, Subdivision 1; 302A.443; 302A.445, Subdivisions 1 and 6; 302A.455; 302A.457, Subdivisions 1 and 2; 302A.461, Subdivision 2; 302A.463; 302A.467; 302A.521, Subdivision 2; 302A.551, Subdivisions 1 and 2; 302A.559, Subdivision 1; 302A.613, Subdivisions 2 and 3; 302A.661, Subdivision 2; 302A.721, Subdivision 2; 302A.723, Subdivision 1; 302A.727, Subdivision 2; 302A.729,

Subdivision 1; 302A.731, Subdivision 2; 302A.733, Subdivision 1; 302A.741; 302A.751, Subdivisions 2 and 3; 302A.781, Subdivision 1; 302A.821, Subdivisions 4 and 5; repealing Minnesota Statutes 1981 Supplement, Sections 302A.011, Subdivision 35; and 302A.241, Subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Kamrath and Benson introduced—

S.F. No. 1951: A bill for an act relating to regional development; clarifying procedures for the dissolution of regional development commissions; amending Minnesota Statutes 1980, Section 462.398, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 462.398, Subdivision 2.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Tennesen introduced—

S.F. No. 1952: A bill for an act relating to the University of Minnesota hospitals; limiting the amount of certain bonds previously authorized; amending Laws 1981, Chapter 275, Section 1, Subdivision 1.

Referred to the Committee on Finance.

Messrs. Kamrath and Menning introduced—

S.F. No. 1953: A bill for an act relating to health; providing criteria for renewal of certain certificates related to basic life support transportation services; amending Minnesota Statutes 1980, Section 144.804, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Tennesen; Peterson, R.W.; Merriam; Keefe and Peterson, D.L. introduced—

S.F. No. 1954: A bill for an act proposing an amendment to the Minnesota Constitution; adding a section to prescribe certain inalienable rights.

Referred to the Committee on Judiciary.

Messrs. Tennesen, Keefe, Davies and Sieloff introduced—

S.F. No. 1955: A bill for an act relating to tax forfeited land; restoring certain funds to the real estate assurance account; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 284.28, Subdivision 8.

Referred to the Committee on Judiciary.

Mr. Peterson, D.L. introduced—

S.F. No. 1956: A bill for an act relating to education; establishing four levels of extended discretionary aids and levies for the 1985-1986 school year and each year thereafter; establishing extended discretionary aids and levies for the 1983-1984 and 1984-1985 school years; amending Minnesota Statutes 1980, Section 275.125, Subdivision 18, and by adding a subdivision; Minnesota

Statutes 1981 Supplement, Sections 124.212, Subdivision 1; 124.2128, Subdivision 1; 275.125, Subdivisions 2a, 2d, and 9; proposing new law coded in Minnesota Statutes, Chapter 124; repealing Minnesota Statutes 1981 Supplement, Sections 124.2123; 124.2124, as amended; 124.2125, as amended; 124.2128, Subdivision 6; and 275.125, Subdivisions 2e, 6b, 6c, 7a, and 7c.

Referred to the Committee on Education.

Ms. Berglin introduced—

S.F. No. 1957: A resolution memorializing the President and Congress of the United States in support of a mutual freeze with the Soviet Union on the testing, production, and deployment of nuclear weapons and delivery systems.

Referred to the Committee on Rules and Administration.

Ms. Berglin introduced—

S.F. No. 1958: A bill for an act relating to taxation; providing for the creation of urban shelter preserves in which property taxes on residential property rented to low income persons would be reduced; proposing new law coded in Minnesota Statutes, Chapter 273.

Referred to the Committee on Taxes and Tax Laws.

Mr. Renneke introduced—

S.F. No. 1959: A bill for an act relating to public safety; emergency services; requiring local civil defense agencies to operate under a personnel merit system; amending Minnesota Statutes 1980, Sections 12.22; Subdivision 3; and 12.25, by adding a subdivision.

Referred to the Committee on Public Employees and Pensions.

Mr. Ulland introduced—

S.F. No. 1960: A bill for an act relating to the environment; transferring the functions of the environmental quality board under the environmental coordination procedures act to the commissioner of energy, planning and development and the business licensing bureau; amending Minnesota Statutes 1980, Sections 116C.24, Subdivision 3, and by adding a subdivision; 116C.25; 116C.32; 116C.33, Subdivision 2; and 116C.34.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Frederickson, Setzepfandt, Purfeerst, Renneke and Moe, R.D. introduced—

S.F. No. 1961: A bill for an act relating to agriculture; providing for the licensing and regulation of certain grain buyers; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 223; repealing Minnesota Statutes 1980, Chapter 223, as amended; and Sections 232.01; 232.02, as amended; 232.04; and 232.06, Subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Frederickson, Setzepfandt, Purfeerst, Renneke and Moe, R.D. introduced—

S.F. No. 1962: A bill for an act relating to agriculture; providing for the regulation of grain storage warehouse operators; providing penalties; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 232; repealing Minnesota Statutes 1980, Sections 232.06, Subdivisions 2, 3, 4, 6 and 7; 232.07 to 232.19; Minnesota Statutes 1981 Supplement, Section 232.06, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Tennesen, Petty and Stern introduced—

S.F. No. 1963: A bill for an act relating to commerce; motor vehicle sale and distribution; providing for the termination or cancellation of franchise agreements; specifying conditions that do not establish good cause for refusal to honor a succession; limiting a manufacturer's ability to withhold consent to a proposed transfer, assignment or sale of a dealership; specifying certain circumstances establishing good cause for entering into or relocating an additional franchise for the same line make; amending Minnesota Statutes 1981 Supplement, Sections 80E.07, Subdivision 1; 80E.09, Subdivision 1; 80E.10, Subdivision 5; 80E.11, Subdivision 1; 80E.13; and 80E.14, Subdivision 2.

Referred to the Committee on Commerce.

Messrs. Knoll, Pillsbury and Moe, R.D. introduced—

S.F. No. 1964: A bill for an act relating to state government; ratifying state employee and University of Minnesota labor agreements and compensation plans; amending Minnesota Statutes 1980, Sections 15A.081, Subdivision 7; 15A.083, Subdivisions 1 and 2; 299D.03, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 15A.081, Subdivision 1; repealing Minnesota Statutes 1980, Sections 299C.041; and 299D.03, Subdivision 3.

Referred to the Committee on Public Employees and Pensions.

Messrs. Merriam, Keefe, Pehler and Luther introduced—

S.F. No. 1965: A bill for an act relating to the environment; amending the waste management act; authorizing the commissioner of administration to acquire certain development rights; defining terms for purposes of the resource recovery program; prohibiting the waste management board from certifying the use of facilities for disposal of radioactive waste; amending Minnesota Statutes 1980, Section 115A.15, Subdivisions 2, 6, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 115A.06, Subdivision 4; and 115A.24, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Pehler introduced—

S.F. No. 1966: A bill for an act relating to education; authorizing Independent School District No. 742 to commence AVTI construction subject to certain conditions.

Referred to the Committee on Education.

Mr. Dieterich introduced—

S.F. No. 1967: A bill for an act relating to highway traffic regulations; including a person in a wheelchair within the definition of pedestrian; amending Minnesota Statutes 1980, Sections 169.01, Subdivision 24; and 169.21, Subdivision 5.

Referred to the Committee on General Legislation and Administrative Rules.

Messrs. Merriam, Knutson, Luther and Hanson introduced—

S.F. No. 1968: A bill for an act relating to crimes; prohibiting the manufacture or delivery of drug paraphernalia; prohibiting the delivery of drug paraphernalia to minors; prohibiting the advertisement of drug paraphernalia; providing for civil forfeiture of drug paraphernalia; prescribing penalties; amending Minnesota Statutes 1980, Sections 152.01, by adding a subdivision; 152.19, Subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, Chapter 152.

Referred to the Committee on Judiciary.

Messrs. Kroening; Moe, D.M.; Peterson, C.C.; Mrs. Brataas and Mr. Belanger introduced—

S.F. No. 1969: A bill for an act relating to labor; providing that certain public safety communications personnel are essential employees for purposes of the public employment labor relations act; amending Minnesota Statutes 1980, Section 179.63, Subdivision 11.

Referred to the Committee on Employment.

Mr. Wegener introduced—

S.F. No. 1970: A bill for an act relating to local government; creating the Morrison County rural development finance authority; authorizing the establishment of a development and redevelopment program and the authorization of powers for it.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Hanson; Peterson, C.C.; Olhoft; Setzepfandt and Berg introduced—

S.F. No. 1971: A bill for an act relating to taxation; reducing the rate of capitalization of rent to be applied to agricultural land; establishing a procedure for determining farm rental values; amending Minnesota Statutes 1981 Supplement, Section 273.11, Subdivision 7.

Referred to the Committee on Taxes and Tax Laws.

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

## MOTIONS AND RESOLUTIONS

Mr. Waldorf moved that S.F. No. 1841 be withdrawn from the Committee



on Rules and Administration and re-referred to the Committee on Governmental Operations. The motion prevailed.

Mr. Willet moved that Senate Resolution No. 73 be taken from the table. The motion prevailed.

Senate Resolution No. 73: A Senate resolution extending thanks to the members of the Citizen Advisory Committee to the Joint Select Legislative Committee on Forestry.

WHEREAS, the Citizen Advisory Committee to the Joint Select Legislative Committee on Forestry was comprised of the following members: Jim Brewer, Jim Brooks, Robert Buckler, Paul Ellefson, Al Farnes, Jerry Graba, Fay Harrington, Wes Libbey, and Scott Reed; and,

WHEREAS, those members contributed hundreds of hours of their time without compensation from the state; and,

WHEREAS, the report issued by the Committee is a useful and effective tool for legislative consideration of forestry issues, and is the basis for the proposed Forest Management Act of 1982; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that it extends its thanks and appreciation to the members of the Advisory Committee.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to prepare enrolled copies of this resolution, to be authenticated by his signature and that of the President, and to present them to the members of the Citizen Advisory Committee.

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

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 bill was read the first time and referred to the committee indicated.

Messrs. Dahl, Willet, Sikorski and Ashbach introduced—

S.F. No. 1972: A bill for an act relating to highway traffic regulations; requiring establishment of detention facilities for purposes of detaining persons arrested or convicted of driving under the influence of alcohol or a controlled substance; funding detoxification centers, detention facilities and acquisition of equipment related to control of drunken driving by imposition of an excise tax on the wholesale sales of liquor, beer, and wine; prohibiting driving a motor vehicle when the driver is impaired by alcohol; providing prima facie evidentiary standards for determining if persons were driving while impaired by or under the influence of alcohol; modifying criminal penalties for persons convicted of driving under the influence; requiring imposition of surcharges on defendants convicted of driving under the influence; enhancing the length of revocation of a driver's license or operating privileges for each additional offense of driving while under the influence; requiring that results of preliminary screening tests be recorded on a driver's record if there is an alcohol

concentration between .05 and .10; providing for impoundment and forfeiture of motor vehicles used in committing the offense of driving under the influence; requiring consent to a chemical test as a condition of the issuance of a driver's test; permitting peace officers to make arrest upon probable cause when a person is driving a motor vehicle while under the influence; prescribing penalties; appropriating money; amending Minnesota Statutes 1980, Section 169.121, Subdivisions 1, 2, 3, 4, 6, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 169.121, Subdivision 5; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 169, 254A, and 340; repealing Minnesota Statutes 1980, Section 169.123.

Referred to the Committee on Judiciary.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, February 15, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**SEVENTY-FIRST DAY**

St. Paul, Minnesota, Monday, February 15, 1982

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. Jerry Van Drovec.

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.	Spear
Benson	Frank	Lantry	Peterson, D.L.	Stern
Berg	Frederick	Lessard	Peterson, R.W.	Stokowski
Berglin	Frederickson	Lindgren	Petty	Stumpf
Bernhagen	Hughes	Luther	Pillsbury	Taylor
Bertram	Humphrey	Menning	Purfeerst	Tennessee
Brataas	Johnson	Merriam	Ramstad	Ulland
Chmielewski	Kamrath	Moe, D.M.	Renneke	Vega
Dahl	Keefe	Moe, R.D.	Rued	Wegener
Davies	Knoll	Nelson	Schmitz	Willet
Davis	Knutson	Olhoft	Setzepfandt	

The President declared a quorum present.

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

**MEMBERS EXCUSED**

Messrs. Hanson, Sieloff and Waldorf were excused from the Session of today. Messrs. Renneke and Sikorski were excused from the Session of today until 11:15 a.m.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received and referred to the committees indicated.

May 27, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Stephen D. Doyle, 185 Bushaway Road, Wayzata, Hennepin County, has been appointed by me, effective May 27, 1981, for a term expiring the first Monday in January, 1982.

Toni Lin Hengesteg, 3385 Chandler, Shoreview, Ramsey County, has been appointed by me, effective May 27, 1981, for a term expiring the first Monday in January, 1982.

James L. Weaver, 4235 Dupont Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective May 27, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on General Legislation and Administrative Rules.)

June 11, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Barbara H. Flanigan, 2405 Sheridan Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective June 11, 1981, for a term expiring the first Monday in January, 1985.

Dr. James House, 1895 Gluek Lane, Roseville, Ramsey County, has been appointed by me, effective June 11, 1981, for a term expiring the first Monday in January, 1983.

Geoffrey L. Kaufmann, 632 Como Avenue, St. Paul, Ramsey County, has been appointed by me, effective June 11, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Health, Welfare and Corrections.)

June 18, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointments to the State Soil and Water Conservation Board are hereby respectfully submitted to the Senate for confirmation as required by law:

William H. Bryson, RR 2, Box 173F, Alden, Freeborn County, has been appointed by me, effective June 18, 1981, for a term expiring the first Monday in January, 1983.

Walfred Bernhardson, Route 2, Ada, Norman County, has been appointed by me, effective June 18, 1981, for a term expiring the first Monday in January, 1985.

Russell L. Ruud, RR 2, Box 232, Palisade, Aitkin County, has been ap-

pointed by me, effective June 18, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Agriculture and Natural Resources.)

June 18, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Randall J. Gort, 1901 Fremont Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective June 18, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on General Legislation and Administrative Rules.)

June 22, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Archie Chelseth, 509 Chestnut Street, Cloquet, Carlton County, has been appointed by me, effective June 22, 1981, for a term expiring the first Monday in January, 1985.

Douglas H. Sillers, Route 2, Moorhead, Clay County, has been appointed by me, effective June 22, 1981, for a term expiring the first Monday in January, 1985.

Gretchen Taylor, 625 Owatonna Street, Mankato, Blue Earth County, has been appointed by me, effective June 22, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Education.)

July 1, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Robert J. Barton, Route 1, Silver Lake, McLeod County, has been appointed by me, effective July 1, 1981, for a term expiring the first Monday in January, 1983.

C.H. Contag, 16 South Broadway, New Ulm, Brown County, has been appointed by me, effective July 1, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Agriculture and Natural Resources.)

July 1, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

John Edel, Jr., 2250 Dellridge, St. Paul, Ramsey County, has been appointed by me, effective July 1, 1981, for a term expiring the first Monday in January, 1983.

Toyse A. Kyle, 3244 Valley Ridge Drive, Eagan, Dakota County, has been appointed by me, effective July 1, 1981, for a term expiring the first Monday in January, 1985.

Sung Won Son, 2380 Cavell Avenue North, Golden Valley, Hennepin County, has been appointed by me, effective July 1, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Education.)

July 1, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointment to the Workers' Compensation Court of Appeals is hereby respectfully submitted to the Senate for confirmation as required by law:

Leigh J. Gard, Route 2, Box 263G, Lakeville, Dakota County, has been appointed by me, effective July 1, 1981, for a term expiring June 30, 1987.

(Referred to the Committee on Employment.)

August 3, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointment to the State Soil and Water Conservation Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Glen L. Brown, 9514 Kimbro Avenue South, Cottage Grove, Washington County, has been appointed by me, effective August 3, 1981, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Agriculture and Natural Resources.)

September 4, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointments to the State Council on Affairs of Spanish-Speaking People are hereby respectfully submitted to the Senate for confirmation as required by law:

Lilliam Pancorbo, 5316 Bloomington Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective September 4, 1981, for a term expiring the first Monday in January, 1982.

Juan Lopez, 175 Charles Avenue, St. Paul, Ramsey County, has been appointed by me, effective September 4, 1981, for a term expiring the first Monday in January, 1983.

Ana Sonia Nieves-Burton, 500 Sexton Building, 529 South 7th Street, Minneapolis, Hennepin County, has been appointed by me, effective September 4, 1981, for a term expiring the first Monday in January, 1983.

Fermin Aragon, 14420 Woodhill Terrace, Minnetonka, Hennepin County, has been appointed by me, effective September 4, 1981, for a term expiring the first Monday in January, 1984.

Lee Villareal, 3½ Grand Circle, East Grand Forks, Polk County, has been appointed by me, effective September 4, 1981, for a term expiring the first Monday in January, 1984.

Raul Cardona, Jr., 205 North Ermina, Albert Lea, Freeborn County, has been appointed by me, effective September 4, 1981, for a term expiring the first Monday in January, 1985.

Juan Moreno, 501 Pleasant Avenue, Crookston, Polk County, has been appointed by me, effective September 4, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Governmental Operations.)

September 15, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Kenneth Sette, Route 3, Box 105, Owatonna, Steele County, has been appointed by me, effective September 15, 1981, for a term expiring September 15, 1987.

(Referred to the Committee on Local Government and Urban Affairs.)

September 23, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointments to the Minnesota-Wisconsin Boundary Area Commission are hereby respectfully submitted to the Senate for confirmation as required by law:

Robert W. Burns, 10677 Cedar Hts. Trail, Hastings, Washington County,

has been appointed by me, effective September 23, 1981, for a term expiring July 1, 1982.

Mary B. Swanger, RR 1, Box 236, Wabasha, Wabasha County, has been appointed by me, effective September 23, 1981, for a term expiring July 1, 1983.

W. Wayne Smith, 944 West 10th Street, Winona, Winona County, has been appointed by me, effective September 23, 1981, for a term expiring July 1, 1984.

Virgil J. Johnson, Rural Route #2, Box 88, Caledonia, Houston County, has been appointed by me, effective September 23, 1981, for a term expiring July 1, 1985.

Charles W. Arnason, Marine on St. Croix, Washington County, has been appointed by me, effective September 23, 1981, for a term expiring July 1, 1985.

(Referred to the Committee on Governmental Operations.)

November 16, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Vernon D. Albertson, 3103 Asbury Avenue, St. Paul, Ramsey County, has been appointed by me, effective November 16, 1981, for a term expiring June 30, 1983, or the first Monday in January, 1985, if the Council is continued.

Terry M. Anderson, 5809 Chastek Way, Minnetonka, Hennepin County, has been appointed by me, effective November 16, 1981, for a term expiring June 30, 1983, or the first Monday in January, 1985, if the Council is continued.

Delbert F. Anderson, RR 2, Box 57, Starbuck, Pope County, has been appointed by me, effective November 16, 1981, for a term expiring June 30, 1983, or the first Monday in January, 1985, if the Council is continued.

James A. Boerboom, RR 2, Cottonwood, Lyon County, has been appointed by me, effective November 16, 1981, for a term expiring the first Monday in January, 1983.

Roland W. Comstock, 71 Mackubin Street, St. Paul, Ramsey County, has been appointed by me, effective November 16, 1981, for a term expiring the first Monday in January, 1983.

Pat Enz, 728 West 4th Street, Red Wing, Goodhue County, has been appointed by me, effective November 16, 1981, for a term expiring June 30, 1983, or the first Monday in January, 1985, if the Council is continued.

Brian B. Ettesvold, 2522 Brenner, Roseville, Ramsey County, has been appointed by me, effective November 16, 1981, for a term expiring June 30, 1983, or the first Monday in January, 1985, if the Council is continued.

Todd L. Parchman, 210 West Grant, Minneapolis, Hennepin County, has



been appointed by me, effective November 16, 1981, for a term expiring June 30, 1983, or the first Monday in January, 1985, if the Council is continued.

Phillip M. Parsons, RR 1, Northfield, Rice County, has been appointed by me, effective November 16, 1981, for a term expiring the first Monday in January, 1983.

Douglas C. Pratt, 22353 Peabody Trail, Scandia, Washington County, has been appointed by me, effective November 16, 1981, for a term expiring the first Monday in January, 1983.

Raymond P. Ring, 2522 Marshall Street NE, Minneapolis, Hennepin County, has been appointed by me, effective November 16, 1981, for a term expiring the first Monday in January, 1983.

Eugene A. Schroedermeier, 7130 Green Ridge Drive, Eden Prairie, Hennepin County, has been appointed by me, effective November 16, 1981, for a term expiring the first Monday in January, 1983.

J. Robert Snyder, Route 1, Box 246Z, Waconia, Carver County, has been appointed by me, effective November 16, 1981, for a term expiring June 30, 1983, or the first Monday in January, 1985, if the Council is continued.

Joseph A. Vumbaco, 3314 2nd Avenue East, Hibbing, St. Louis County, has been appointed by me, effective November 16, 1981, for a term expiring June 30, 1983, or the first Monday in January, 1985, if the Council is continued.

Mary Williams, 2432 Humboldt Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective November 16, 1981, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Energy and Housing.)

December 14, 1981

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Catherine L. Anderson, 10706 Minnetonka Blvd., Hopkins, Hennepin County, has been appointed by me, effective December 14, 1981, for a term expiring the first Monday in January, 1984.

(Referred to the Committee on Governmental Operations.)

January 4, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointment to the State Council on Affairs of Spanish-Speaking People is hereby respectfully submitted to the Senate for confirmation as required by law:

Enrique Serra, 1930 East 86th Street, Bloomington, Hennepin County, has

been appointed by me, effective January 4, 1982, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on Governmental Operations.)

January 6, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Bernard A. Miller, RR 8, Box 471, Bemidji, Beltrami County, has been appointed by me, effective January 6, 1982, for a term expiring the first Monday in January, 1986.

Elizabeth A. Pegues, 27 Nord Circle Road, North Oaks, Ramsey County, has been appointed by me, effective January 6, 1982, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on Education.)

January 20, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Allan L. Rudell, 6328 Pheasant Court, Edina, Hennepin County, has been appointed by me, effective January 22, 1982, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Governmental Operations.)

February 3, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

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

Stephen D. Doyle, 185 Bushaway Road, Wayzata, Hennepin County, has been appointed by me, effective February 3, 1982, for a term expiring the first Monday in January, 1986.

Toni Lin Hengesteg, 3385 Chandler, Shoreview, Ramsey County, has been appointed by me, effective February 3, 1982, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on General Legislation and Administrative Rules.)

Sincerely,

Albert H. Quie, Governor

**MESSAGES FROM THE HOUSE**

Mr. President:

Pursuant to Joint Rule 3.02, the Conference Committee on H.F. No. 353 was discharged after adjournment May 18, 1981 and the bill was laid on the table.

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.

I have the honor to announce that on February 4, 1982, H.F. No. 353 was taken from the table and new House conferees were appointed.

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 February 11, 1982

Mr. Menning moved that the Senate accede to the request of the House for a new 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.

Mr. President:

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

S.F. No. 429: A bill for an act relating to 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.

Senate File No. 429 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 11, 1982

**CONCURRENCE AND REPASSAGE**

Mr. Solon moved that the Senate concur in the amendments by the House to S.F. No. 429 and that the bill be placed on its repassage as amended. The

motion prevailed.

S.F. No. 429: 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; 183.42; 183.44; 183.45; 183.46; 183.465; 183.48; 183.50; 183.51; 183.53; 183.54; 183.545; 183.60; 183.61; 183.62; amending Minnesota Statutes 1981 Supplement, Sections 183.52; 183.56; 183.57, Subdivision 2, and by adding a subdivision; and 183.59; and proposing new law coded in Minnesota Statutes, Chapter 183; repealing Minnesota Statutes 1980, Section 183.39, Subdivision 2.

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

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

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Dieterich	Kronebusch	Penny	Stokowski
Belanger	Engler	Lantry	Peterson, C. C.	Stumpf
Benson	Frank	Lessard	Peterson, D. L.	Taylor
Berg	Frederick	Lindgren	Peterson, R. W.	Tennessee
Bernhagen	Frederickson	Luther	Petty	Ulland
Bertram	Hughes	Menning	Pillsbury	Vega
Brataas	Johnson	Merriam	Purfeerst	Wegener
Chmielewski	Kamrath	Moe, D. M.	Ramstad	Willet
Dahl	Keefe	Moe, R. D.	Rued	
Davies	Knoll	Nelson	Schmitz	
Davis	Knutson	Olhoft	Solon	
Dicklich	Kroening	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. 699: A bill for an act relating to transportation; authorizing the commissioner of transportation to act as agent for political subdivisions for the construction of roads and bridges under certain circumstances; amending Minnesota Statutes 1980, Section 161.36, Subdivision 3.

Senate File No. 699 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 11, 1982

### CONCURRENCE AND REPASSAGE

Mr. Setzepfandt moved that the Senate concur in the amendments by the House to S.F. No. 699 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 699: A bill for an act relating to transportation; authorizing the commissioner of transportation to act as agent for political subdivisions for the construction of roads and bridges under certain circumstances; amending Minnesota Statutes 1980, Sections 161.36, Subdivision 3; and 161.38, 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Pehler	Spear
Bang	Dieterich	Kronebusch	Penny	Stern
Belanger	Engler	Langseth	Peterson, C.C.	Stokowski
Benson	Frank	Lantry	Peterson, D.L.	Stumpf
Berg	Frederick	Lessard	Peterson, R.W.	Taylor
Berglin	Frederickson	Lindgren	Petty	Tennessee
Bernhagen	Hughes	Luther	Pillsbury	Ulland
Bertram	Humphrey	Menning	Purfeerst	Vega
Brataas	Johnson	Merriam	Ramstad	Wegener
Chmielewski	Kamrath	Moe, D. M.	Rued	Willet
Dahl	Keefe	Moe, R. D.	Schmitz	
Davies	Knoll	Nelson	Setzepfandt	
Davis	Knutson	Olhoft	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 has refused to adopt the Conference Committee report on the following Senate File and has voted that the bill be returned to the Senate and to the Conference Committee.

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 February 11, 1982

Mr. Peterson, C.C. moved that S.F. No. 818 and the Conference Committee Report thereon 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. 1250, 1283, 1546, 1573, 1579, 1430, 1602, 1616, 1637 and 1610.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 11, 1982

**FIRST READING OF HOUSE BILLS**

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

H.F. No. 1250: A bill for an act relating to children; amending the definitions of shelter care facility and secure detention facility; extending the time limit for detaining children who may be dependent or neglected children; amending Minnesota Statutes 1980, Sections 260.015, Subdivisions 16 and 17; 260.171, Subdivisions 2, 4, 5, 6, and by adding a subdivision; 260.172, Subdivision 1; repealing Minnesota Statutes 1980, Section 260.015, Subdivision 15.

Referred to the Committee on Judiciary.

H.F. No. 1283: A bill for an act relating to crimes; lengthening the statute of limitations for prosecutions for certain crimes; amending Minnesota Statutes 1980, Section 628.26.

Referred to the Committee on Judiciary.

H.F. No. 1546: A bill for an act relating to juveniles; providing for the detention of juveniles for whom a motion to refer for prosecution is pending before the court; amending Minnesota Statutes 1980, Section 260.173, Subdivision 4.

Referred to the Committee on Judiciary.

H.F. No. 1573: A bill for an act relating to crimes; prohibiting the manufacture, sale, transfer and delivery of simulated controlled substances; prohibiting their manufacture, sale, transfer and delivery; providing penalties; amending Minnesota Statutes 1980, Sections 152.09, Subdivision 1; 152.15, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 152.

Referred to the Committee on Judiciary.

H.F. No. 1579: A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Brainerd.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 1430: A bill for an act relating to the city of Hibbing; fixing the amount of the mayor's contingent fund; amending Laws 1939, Chapter 329, Section 1.

Referred to the Committee on Local Government and Urban Affairs.

H.F. No. 1602: A bill for an act relating to counties; providing for meetings of the county board of commissioners; amending Minnesota Statutes 1980, Section 375.07.

Referred to the Committee on Local Government and Urban Affairs.

H.F. No. 1616: A bill for an act relating to counties; fixing the maximum amount of county money that may be spent by development organizations for certain county developments; amending Minnesota Statutes 1980, Section 395.08.

Referred to the Committee on Rules and Administration for comparison with

S.F. No. 1497, now on the Calendar.

H.F. No. 1637: A bill for an act relating to the standard of time; providing that the Minnesota standard of time conform to the federal standard of time; amending Minnesota Statutes 1980, Section 645.071.

Referred to the Committee on General Legislation and Administrative Rules.

H.F. No. 1610: A bill for an act relating to juveniles; expanding definition of "dependent child;" expanding the rights of victims of juvenile delinquency; restricting out-of-state placements of children; making juvenile traffic offenders subject to the same legal consequences and rights as adults; providing evidentiary standards for contributing to delinquency or neglect; increasing parental liability of minors willful or malicious conduct; amending Minnesota Statutes 1980, Sections 260.015, Subdivisions 5 and 6; 260.155, Subdivision 1; 260.315; and 540.18; proposing new law coded in Minnesota Statutes, Chapter 260; repealing Minnesota Statutes 1980, Section 260.193.

Referred to the Committee on Judiciary.

### REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 1623. The motion prevailed.

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

S.F. No. 328: A bill for an act relating to liens; modifying the penalties for failure to properly use the proceeds of payments made for the satisfaction of labor, skill, material, and machinery costs for improvements to real property; amending Minnesota Statutes 1980, Section 514.02, Subdivision 1.

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 514.02, is amended to read:

514.02 [NONPAYMENT FOR IMPROVEMENT; PENALTY.]

Subdivision 1. [ACTS CONSTITUTING.] Whoever, ~~on~~ *makes* any improvement to real estate within the meaning of section 514.01, *and*:

(1) Fails to use the proceeds of any payment made to him ~~on account of such~~ *for the improvement* by the owner of ~~such the~~ real estate or person having any improvement made, for the payment for labor, skill, material, and machinery contributed to ~~such the improvement, knowing~~ ;

(2) *Knows* that the cost of any ~~such~~ labor performed, or skill, material, or machinery furnished for ~~such the~~ improvement remains unpaid; *and*

(3) ~~who~~ Has not furnished to the person making ~~such the~~ payment either (a) a valid lien waiver as to any unpaid labor performed, or skill, material, or machinery furnished for ~~such the~~ improvement, or (b) a payment bond in the basic amount of the contract price for ~~such the~~ improvement, conditioned for the prompt payment to any person or persons entitled ~~thereto~~ *to payment* for the

performance of labor or the furnishing of skill, material, or machinery for the improvement; ~~shall be is guilty of theft of the proceeds of such payment and upon conviction shall be fined not more than \$1,000 or imprisoned not more than one year, or both.~~

Subd. 2. [NOTICE OF NONPAYMENT.] Notice of nonpayment of the cost of labor, skill, material, and machinery contributing to the improvement of the real estate to the person paid for such improvement may be given by the person who made payment for such the improvement, or by any person furnishing the labor, skill, material, or machinery contributing to the improvement and who has not been paid for his contribution. *The* notice may be given in any reasonable manner. ~~Notice~~ *It* shall be in writing and in ~~any~~ terms that *reasonably* identify the real estate improved and the nonpayment complained of.

Subd. 3. [PROOF OF KNOWLEDGE OF NONPAYMENT.] Proof that ~~such the~~ person failed to pay for labor performed, or skill, material, or machinery furnished within 15 days after receiving *the* notice that the cost of ~~such the~~ labor performed, or skill, material, or machinery furnished remains unpaid ~~will be is~~ sufficient to sustain a finding that the proceeds of ~~such the~~ payment were used for a purpose other than the payment for labor, skill, material, and machinery for ~~such the~~ improvement, knowing that the costs of labor performed, or skill, material, or machinery furnished remains unpaid, unless the person;

(1) Establishes that all proceeds received from the person making ~~such the~~ payment have been applied to the cost of labor, skill, material, or machinery furnished for the improvement; or

(2) ~~Within 15 days after receiving notice shall give~~ Gives a bond or ~~make~~ makes a deposit with the clerk of district court, in an amount and form approved by a judge of district court, to hold harmless the owner or person having the improvement made from any claim for payment of anyone furnishing labor, skill, material, or machinery for ~~such the~~ improvement.

Subd. 4. [PENALTY.] A person found guilty of violating this section shall be sentenced as follows:

(1) To imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both, if the value of the improvement for which payment was not made exceeds \$2,500; or

(2) To imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both, if the value of the improvement for which payment was not made is more than \$150 but not more than \$2,500; or

(3) To imprisonment for not more than 90 days or to payment of a fine of not more than \$500, or both, if the value of the improvement for which payment was not made is \$150 or less."

Amend the title as follows:

Page 1, line 6, delete " , Subdivision 1"

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

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

S.F. No. 480: A bill for an act relating to crimes; authorizing counties to



expend money for the purpose of investigating criminal activity relating to selling or receiving stolen property; proposing new law coded in Minnesota Statutes, Chapter 299C:

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

Page 1, line 9, delete "299C.066" and insert "375.168"

Amend the title as follows:

Page 1, line 6, delete "299C" and insert "375"

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

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

H.F. No. 749: A bill for an act relating to real property; providing a fee for issuing noncertified copies of instruments or parts of instruments on file in the office of the registrar of titles; amending Minnesota Statutes 1980, Section 508.82.

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

Mr. Olhoft from the Committee on General Legislation and Administrative Rules, to which was referred

S.F. No. 1480: A bill for an act proposing an amendment to the Minnesota Constitution, to repeal Article XIII, Section 5; removing the prohibition against lotteries.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Judiciary. Report adopted.

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

S.F. No. 1703: A bill for an act relating to athletics; regulating boxing activities; providing a penalty; proposing new law coded in Minnesota Statutes, Chapter 341.

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

Delete everything after the enacting clause and insert:

"Section 1. [341.115] [PROFESSIONAL BOXING.]

*Any contest, match or exhibition in which prizes or compensation worth \$5 or more are offered to any boxer shall comply with all rules of the board of boxing governing professional boxing. No boxer participating in these contests, matches, or exhibitions shall engage in consecutive contests with less than a seven day interval. No boxer shall participate in these contests, matches, or exhibitions unless the boxer has submitted an affidavit of physical fitness to the board and has been examined by a physician designated by the board. The affidavit shall state: (a) that the boxer has previously participated in ten amateur or professional matches sanctioned by the board of boxing or sanctioned by a board which regulates boxing in another jurisdiction; or (b)*

that the boxer has trained for at least 90 days under the supervision of a trainer licensed by the board of boxing. The examination shall include, but not be limited to, an electrocardiogram. The examination shall be performed at the expense of the promoter.

Sec. 2. [EFFECTIVE DATE.]

*This act is effective the day after final enactment and applies to all contests, matches, or exhibitions held on or after that date.*"

Amend the title as follows:

Page 1, line 2, delete "athletics" and insert "boxing"

Page 1, line 2, delete everything after the first semicolon and insert "establishing certain conditions for participation in professional matches"

Page 1, line 3, delete everything before the semicolon

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1637: A bill for an act relating to state investment policy; prohibiting certain investments in countries not following human rights standards; proposing new law coded in Minnesota Statutes, Chapter 11A.

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

Page 3, after line 2, insert:

*"The prohibitions contained in this section shall not apply to a financial institution or corporation if documentary evidence is submitted to the state board of investment which is sufficient to establish that the employment policies of the corporation comply with section 363.03, subdivision 1, clauses (2) and (4)."*

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

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

S.F. No. 1589: A bill for an act relating to crimes; clarifying the definition of physically helpless victims of criminal sexual conduct; amending Minnesota Statutes 1980, Section 609.341; Subdivision 9.

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

Page 1, line 12, after "(a)" insert "asleep or"

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

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

S.F. No. 1567: A bill for an act relating to judicial procedures; providing an alternative time for a guardian or conservator to file an annual report; amending Minnesota Statutes 1981 Supplement, Section 525.58, Subdivision 1.

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

Page 1, line 11, after "waived" insert "*or modified*"

Page 1, lines 15 to 19, delete the new language

Page 2, after line 20, insert:

"Sec. 2. [EFFECTIVE DATE.]

*This act is effective the day after final enactment.*"

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

Mr. Wegener from the Committee on Local Government and Urban Affairs, to which was referred:

S.F. No. 1623: A bill for an act relating to public indebtedness; providing the interest rate maximum on obligations; amending Minnesota Statutes 1980, Section 475.55, Subdivision 1.

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 474.06, is amended to read:

474.06 [MANNER OF ISSUANCE OF BONDS; INTEREST RATE.]

Bonds authorized under this chapter shall be issued in accordance with the provisions of chapter 475 relating to bonds payable from income of revenue producing conveniences, except that public sale shall not be required, and the bonds may mature at any time or times in such amount or amounts within 30 years from date of issue and may be sold at a price equal to such percentage of the par value thereof, plus accrued interest, and bearing interest at such rate or rates, ~~not exceeding nine percent per year~~, as may be agreed by the contracting party, the purchaser, and the municipality or redevelopment agency, notwithstanding any limitation of interest rate or cost or of the amounts of annual maturities contained in any other law. When bonds authorized under this chapter are issued, they shall state whether they are issued for a project defined in section 474.02, subdivisions 1, 1a, 1b, or 1c.

Sec. 2. Minnesota Statutes 1980, Section 475.55, is amended to read:

475.55 [EXECUTION; NEGOTIABILITY; INTEREST RATES.]

Subdivision 1. [INTEREST; FORM.] All obligations shall be signed by officers authorized by resolution of the governing body or by persons authorized to sign on behalf of a bank designated by the resolution as authenticating agent, and shall express the amount and the terms of payment. Interest on obligations ~~authorized by resolution before December 31, 1982 shall not exceed the rate of 12 percent per annum, payable half yearly. Interest on obligations authorized thereafter shall not exceed the rate of nine percent per annum,~~ the greater of (a) the rate determined pursuant to subdivision 4 for the month in which the resolution authorizing the obligations was adopted, or (b) the rate determined pursuant to subdivision 4 for the month in which the bonds are sold, or (c) the rate of ten percent per annum, payable half yearly. All obliga-

tions shall be negotiable investment securities as provided in the uniform commercial code, chapter 336, article 8. The validity of an obligation shall not be impaired by the fact that one or more officers authorized to execute it shall have ceased to be in office before delivery to the purchaser or shall not have been in office on the formal issue date of the obligation. Every obligation shall be signed manually by one officer or authenticating agent. Other signatures and the seal of the issuer may be printed, lithographed, stamped or engraved thereon and on any interest coupons to be attached thereto. The seal need not be used.

Subd. 2. [SUPERSESSON.] The provisions of ~~subdivision 1~~ *this section* shall supersede any ~~lower maximum~~ interest rate fixed by any other law or a city charter with respect to obligations of the state or any municipality or governmental or public subdivision, district, corporation, commission, board, council, or authority of whatsoever kind, including warrants or orders issued in evidence of allowed claims for property or services furnished to the issuer, but shall not limit the interest on any obligation issued pursuant to a law or charter authorizing the issuer to determine the rate or rates of interest.

Subd. 3. [SPECIAL ASSESSMENTS.] Notwithstanding any contrary provisions of law or charter, special assessments pledged to the payment of obligations may bear interest at the rate the governing body by resolution determines, not exceeding the greater of (a) the maximum interest rate per annum which the obligations may bear under the provisions of ~~subdivisions 1 and 2 plus one percent~~ *this section* or (b) the maximum interest rate permitted to be charged against the assessments under the law or city charter pursuant to which the assessments were levied.

Subd. 4. [RATE DETERMINATION.] *On or before the 20th day of each month the commissioner of finance shall determine the most recently published yield for the Bond Buyer's Index of 20 Municipals. This rate plus one percent and rounded to the next highest percent per annum shall be the rate for the next succeeding month. The commissioner of finance shall publish the maximum rate in the state register each month.*

Subd. 5. [INTEREST.] *Obligations which are payable wholly or partly from the proceeds of special assessments or which are not secured by general obligations of the municipality may bear interest at a rate one percent greater than the maximum interest rate permitted pursuant to subdivision 1.*

Sec. 3. Minnesota Statutes 1980, Section 475.60, Subdivision 2, is amended to read:

Subd. 2. [REQUIREMENTS WAIVED.] The requirements as to public sale shall not apply to:

(1) Obligations issued under the provisions of a home rule charter or of a law specifically authorizing a different method of sale, or authorizing them to be issued in such manner or on such terms and conditions as the governing body may determine;

(2) Obligations sold by an issuer in an amount not exceeding the total sum of ~~\$200,000~~ \$300,000 in any three month period;

(3) Obligations issued by a governing body other than a school board in anticipation of the collection of taxes or other revenues appropriated for ex-

penditure in a single year, if sold in accordance with the most favorable of two or more proposals solicited privately; and

(4) Obligations sold to any board, department, or agency of the United States of America or of the state of Minnesota, in accordance with rules or regulations promulgated by such board, department, or agency.

Sec. 4. [EFFECTIVE DATE.]

*This act is effective the day after final enactment.*

Amend the title as follows:

Page 1, delete the title and insert:

“A bill for an act relating to municipal bonds; providing a formula for determining limitations on interest rates; changing a public sale requirement; amending Minnesota Statutes 1980, Sections 474.06, 475.55 and 475.60, Subdivision 2.”

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

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

S.F. No. 1537: A bill for an act relating to local government; permitting cities to impose a separate property tax to pay the cost of elections; proposing new law coded in Minnesota Statutes, Chapter 465.

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

Page 1, line 9, after “A” insert “county, town, or a”

Page 1, line 10, delete “pay” and insert “reimburse”

Page 1, line 10, after the second “the” insert “county, town or”

Amend the title as follows:

Page 1, line 2, after “permitting” insert “counties, towns and”

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

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

S.F. No. 1582: A bill for an act relating to port authorities; authorizing seaway port authorities to establish a fiscal year based on the season for international shipping through the St. Lawrence Seaway; amending Minnesota Statutes 1981 Supplement, Section 458.14.

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

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

S.F. No. 1691: A bill for an act relating to housing and redevelopment

authorities; amending the method of determining a quorum when a conflict of interest exists; amending Minnesota Statutes 1981 Supplement, Section 462.432, Subdivision 2.

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

Page 1, after line 8, insert:

“Section 1. Minnesota Statutes 1981 Supplement, Section 462.432, Subdivision 1, is amended to read:

Subdivision 1. [DISCLOSURE.] Before taking an action or making a decision which could substantially affect his financial interests or those of an organization with which he is associated, a commissioner or employee of an authority shall: (a) prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict of interest; and (b) submit the statement to the board of commissioners of the authority, whereupon the disclosure shall be entered upon the minutes of the authority at its next meeting. The disclosure statement shall be submitted no later than one week after the employee or commissioner becomes aware of the potential conflict of interest. However, no disclosure statement shall be required if the effect on the commissioner or employee of the relevant decision or act will be no greater than on other members of his business, profession or occupation *or if the effect on the organization with which he is affiliated is indirect, remote and insubstantial. A potential conflict of interest is present if the commissioner or employee knows or has reason to expect that the organization with which the commissioner or employee is affiliated is or will in the future become a participant in a project or development which will be affected by the relevant action or decision.* Any individual who knowingly fails to submit a statement required by this subdivision or submits a statement which he knows contains false information or which he knows omits required information is guilty of a gross misdemeanor.”

Page 1, line 15, after “interest” insert “*shall not attempt to influence an employee in any matter related to the action or decision in question.*”

Page 1, line 16, strike “in question” and insert a comma

Page 1, lines 17 and 18, delete “*when the authority is*”

Page 1, line 18, strike “considering such” and insert “*in which the*”

Page 1, line 18, before the period, insert “*is to be considered. Any individual who knowingly violates this subdivision is guilty of a gross misdemeanor*”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert “clarifying the need for a conflict of interest disclosure statement;”

Page 1, line 4, after the semicolon, insert “providing penalties;”

Page 1, line 5, delete “Subdivision” and insert “Subdivisions 1 and”

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

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

S.F. No. 1031: A bill for an act relating to the environment; establishing an environmental response fund to pay for removal and remedial action associated with certain hazardous substances released into the environment; providing for liability for releases of hazardous substances; imposing penalties; appropriating money; proposing new law coded as Minnesota Statutes, Chapter 115B.

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

Delete everything after the enacting clause and insert:

“Section 1. [115B.01] [CITATION.]

*Sections 1 to 22 may be cited as the Environmental Response and Liability Act.*

Sec. 2. [115B.02] [DEFINITIONS.]

*Subdivision 1. [APPLICATION.] For the purposes of sections 1 to 22, the following terms have the meanings given them.*

*Subd. 2. [ACT OF GOD.] “Act of God” means an unanticipated grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character, the effects of which could not have been prevented or avoided by the exercise of due care or foresight.*

*Subd. 3. [AGENCY.] “Agency” means the pollution control agency.*

*Subd. 4. [DAMAGES.] “Damages” means damages for economic loss or personal injury or the loss of natural resources as specified in section 3.*

*Subd. 5. [DIRECTOR.] “Director” means the director of the pollution control agency.*

*Subd. 6. [FACILITY.] “Facility” means:*

*(a) Any building, structure, installation, equipment, pipe or pipeline (including any pipe into a sewer or publicly owned treatment works), well, pit, pond, lagoon, impoundment, ditch, landfill, storage container, motor vehicle, rolling stock, or aircraft;*

*(b) Any watercraft of any description, or other artificial contrivance used or capable of being used as a means of transportation on water; or*

*(c) Any site or area where a hazardous substance has been deposited, stored, disposed of, or placed, or otherwise come to be located.*

*“Facility” does not include any consumer product in consumer use.*

*Subd. 7. [FEDERAL SUPERFUND ACT.] “Federal Superfund Act” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 et seq.*

*Subd. 8. [FUND.] “Fund” means the environmental response, compensation and compliance fund established under section 16.*

*Subd. 9. [HAZARDOUS SUBSTANCE.] “Hazardous substance” means:*

*(a) Any substance designated pursuant to the Federal Water Pollution Con-*

rol Act, under 33 U.S.C. Section 1321(b)(2)(A);

(b) Any element, compound, mixture, solution, or substance designated pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9602;

(c) Any toxic pollutant listed pursuant to the Federal Water Pollution Control Act, under 33 U.S.C. Section 1317(a);

(d) Any hazardous air pollutant listed pursuant to the Clean Air Act, under 42 U.S.C. Section 7412;

(e) Any imminently hazardous chemical substance or mixture with respect to which the administrator of the federal environmental protection agency has taken action pursuant to the Toxic Substances Control Act, under 15 U.S.C. Section 2606;

(f) Any hazardous waste; and

(g) Any PCB as defined in section 116.36.

Subd. 10. [HAZARDOUS WASTE.] "Hazardous waste" means:

(a) Hazardous waste as defined in section 116.06, subdivision 13, and those substances identified as hazardous wastes pursuant to rules adopted by the agency under section 116.07; and

(b) Any hazardous waste as defined in the Resource Conservation and Recovery Act, under 42 U.S.C. Section 6903; which is listed or has the characteristics identified under 42 U.S.C. Section 6921, not including any hazardous waste the regulation of which has been suspended by act of Congress.

Subd. 11. [NATURAL RESOURCES.] "Natural resources" has the meaning given it in section 116B.02, subdivision 4.

Subd. 12. [RELEASE.] "Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment which occurred at a point in time or which continues to occur.

"Release" does not include:

(a) Emissions from the engine exhaust of a motor vehicle, rolling stock, aircraft, watercraft, or pipeline pumping station engine;

(b) Release of source, byproduct, or special nuclear material from a nuclear incident, as those terms are defined in the Atomic Energy Act of 1954, under 42 U.S.C. Section 2014, if the release is subject to requirements with respect to financial protection established by the federal nuclear regulatory commission under 42 U.S.C. Section 2210;

(c) Release of source, byproduct or special nuclear material from any processing site designated pursuant to the Uranium Mill Tailings Radiation Control Act of 1978, under 42 U.S.C. Section 7912(a)(1) or 7942(a); or

(d) The normal application of fertilizer or normal application of recommended levels of approved agricultural chemicals.

Subd. 13. [REMEDY OR REMEDIAL ACTION.] "Remedy" or "remedial action" means those actions consistent with permanent remedy taken



instead of or in addition to removal actions in the event of a release or threatened release of a hazardous substance into the environment; to prevent, minimize or eliminate the release of hazardous substances to protect the public health or welfare or the environment.

"Remedy" or "remedial action" includes, but is not limited to:

(a) Actions at the location of the release such as storage, confinement, perimeter protection using dikes, trenches, or ditches, clay cover, neutralization, cleanup of released hazardous substances or contaminated materials, recycling or reuse, diversion, destruction, segregation of reactive wastes, dredging or excavations, repair or replacement of leaking containers, collection of leachate and runoff, onsite treatment or incineration, provision of alternative water supplies, and any monitoring and maintenance reasonably required to assure that these actions protect the public health and welfare and the environment; and

(b) The costs of permanent relocation of residents and businesses and community facilities when the agency determines that, alone or in combination with other measures, relocation is more cost effective than and environmentally preferable to the transportation, storage, treatment, destruction, or secure disposition offsite of hazardous substances, or may otherwise be necessary to protect the public health or welfare.

"Remedy" or "remedial action" does not include offsite transport of hazardous substances, or the storage, treatment, destruction, or secure disposition offsite of hazardous substances or contaminated materials unless the agency determines that these actions:

(1) Are more cost effective than other remedial actions;

(2) Will create new capacity to manage hazardous substances in addition to those located at the affected facility, in compliance with section 116.07 and subtitle C of the Solid Waste Disposal Act, 42 U.S.C. Section 6921 et seq.; or

(3) Are necessary to protect public health or welfare or the environment from a present or potential risk which may be created by further exposure to the continued presence of the substances or materials.

Subd. 14. [REMOVE OR REMOVAL.] "Remove" or "removal" means:

(a) The cleanup or removal of released hazardous substances from the environment;

(b) Necessary actions taken in the event of a threatened release of hazardous substances into the environment;

(c) Actions necessary to monitor, assess, and evaluate a release or threatened release of hazardous substances;

(d) Disposal or processing of removed material; or

(e) Other actions necessary to prevent, minimize, or mitigate damage to the public health or welfare or to the environment, which may otherwise result from a release or threatened release.

"Remove" or "removal" includes, but is not limited to, security fencing or other measures to limit access, provision of alternative water supplies, temporary evacuation and housing of threatened individuals not otherwise provided

for, action taken pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9604(b), and any emergency assistance which may be provided under the Disaster Relief Act of 1974, 42 U.S.C. Section 5121 et seq.

*Subd. 15. [RESPOND OR RESPONSE.] "Respond" or "response" means remove, removal, remedy, and remedial action.*

*Subd. 16. [WATER.] "Water" has the meaning given to the term "waters of the state" in section 115.01, subdivision 9.*

**Sec. 3. [115B.03] [LIABILITY FOR RESPONSE COSTS AND DAMAGES.]**

*Subdivision 1. [GENERAL RULE.] Except as otherwise provided in subdivisions 3 to 9 and section 4, and notwithstanding any other provision or rule of law, any person who is responsible for a release or threatened release of a hazardous substance from a facility shall be strictly liable, jointly and severally, for:*

*(a) All reasonable and necessary costs of removal, or remedial action incurred by the state, a political subdivision of the state or the United States;*

*(b) Any other reasonable and necessary costs or expenses incurred by any person to remove a hazardous substance; and*

*(c) All damages for economic loss or loss due to personal injury or disease or loss of natural resources resulting from such a release including:*

*(1) Any injury to, destruction of, or loss of any real or personal property, including relocation costs;*

*(2) Any loss of use of real or personal property;*

*(3) Any injury to, destruction of, or loss of natural resources, including the reasonable costs of assessing such injury, destruction, or loss;*

*(4) Any loss of income or profits or impairment of earning capacity resulting from personal injury or disease or from injury to or destruction of real or personal property or natural resources without regard to the ownership of such property or resources; and*

*(5) All medical expenses, rehabilitation costs or burial expenses due to personal injury or disease.*

*Subd. 2. [RESPONSIBLE PERSON.] For the purpose of subdivision 1, a person is responsible for a release or threatened release of a hazardous substance from a facility if the person:*

*(a) Owned or operated the facility at the time the hazardous substance was placed or came to be located in or on the facility, during the time of the release or threatened release, or at any time between those occurrences;*

*(b) Owned or possessed the hazardous substance and arranged, by contract, agreement or otherwise, for the disposal, treatment or transport for disposal or treatment of the hazardous substance; or*

*(c) Accepted the hazardous substance for transport to a disposal or treatment facility and either selected the facility to which it was transported or disposed of the substance in a manner contrary to law.*

*Subd. 3. [DEFENSES AVAILABLE TO RESPONSIBLE PERSONS.]*

*There shall be no liability under subdivision 1 for any person otherwise liable if the person establishes by a preponderance of the evidence that the release or threatened release was caused solely by:*

- (a) *An act of God;*
- (b) *An act of war; or*
- (c) *An act or omission of a third party.*

*"Third party" for the purposes of clause (c) does not include an employee or agent of the defendant, or a person whose act or omission occurs in connection with a contractual relationship, existing directly or indirectly, with the defendant.*

*The defense provided in clause (c) applies only if the defendant establishes by a preponderance of the evidence that he exercised due care with respect to the hazardous substance concerned, taking into consideration the characteristics of the hazardous substance in light of all relevant facts and circumstances which he knew or should have known, and that he took precautions against foreseeable acts or omissions of a third party and the consequences that could foreseeably result from those acts or omissions.*

**Subd. 4. [DEFENSE AVAILABLE TO OWNER OF REAL PROPERTY.]** *An owner of real property is not liable for damages under subdivision 1, clause (c), if he:*

- (a) *Shows by a preponderance of the evidence that he neither knew nor reasonably should have known that any hazardous substance was present on the property before the release or threatened release; and*
- (b) *Notifies the agency of the release or threatened release as soon as practicable after he knows about it.*

**Subd. 5. [CERTAIN EMPLOYEE CLAIMS NOT COVERED.]** *Except for a third party who is subject to liability under section 176.061, subdivision 5, there is no liability under subdivision 1 for personal injury or disease of employees arising out of and in the course of employment which is compensable under chapter 176.*

**Subd. 6. [NATURAL RESOURCES.]** *No liability with respect to natural resources shall be imposed when the defendant has demonstrated that:*

- (a) *The damages to natural resources complained of were specifically identified as an irreversible and irretrievable commitment of natural resources in an approved final state or federal environmental impact statement, or other comparable approved final environmental analysis; and*
- (b) *The facility or project was operating within the terms of its permit or license.*

**Subd. 7. [LIABILITY FOR A THREATENED RELEASE.]** *Liability for a threatened release of a hazardous substance is limited to the recovery by the agency of reasonable and necessary response costs pursuant to section 14, subdivision 6.*

**Subd. 8. [LIABILITY OF POLITICAL SUBDIVISIONS.]** *The liability of a political subdivision under this section is subject to the limits imposed under section 466.04, subdivision 1.*

*Subd. 9. [ACTS OF EMPLOYEES.] When a person who is responsible for a release or threatened release as provided in subdivision 2 is an employee who is acting in the scope of his employment:*

*(a) The employee is liable under subdivision 1 only if he failed to exercise due care with respect to the hazardous substance, and*

*(b) His employer shall be considered a person responsible for the release or threatened release and shall be liable under subdivision 1 regardless of the degree of care exercised by the employee.*

*Subd. 10. [AWARD OF COSTS.] Upon motion of a party prevailing in an action under sections 1 to 11 the court may award costs, disbursements and reasonable attorney fees and witness fees to that party.*

#### **Sec. 4. [115B.04] [EXEMPTION FROM LIABILITY.]**

*A person shall not be liable under sections 1 to 12:*

*(a) For damages as a result of acts taken or omitted in preparation for, or in the course of rendering care, assistance, or advice to the director or agency pursuant to section 14 or in accordance with the national hazardous substance response plan pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9605, or at the direction of an on-scene coordinator appointed under that plan, with respect to an incident creating a danger to public health or welfare or the environment as a result of any release or threatened release of a hazardous substance;*

*(b) For damages or response costs as a result of the release or threatened release of a hazardous substance from a hazardous waste facility as defined under section 115A.03, for which a permit has been issued pursuant to section 116.07 or pursuant to subtitle C of the Solid Waste Disposal Act, 42 U.S.C. Section 6921 et seq., if the hazardous substance is specifically identified in the permit and the release is within the limits allowed in the permit for release of that substance;*

*(c) For damages or response costs as a result of a release or threatened release of a hazardous substance if the substance is specifically identified in a federal or state permit and the release is within the limits allowed in the permit for release of that substance; or*

*(d) If his liability has been transferred to and assumed by the federal post-closure liability fund pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9607(k).*

#### **Sec. 5. [115B.05] [PROVING CAUSATION OF PERSONAL INJURY OR DISEASE.]**

*Subdivision 1. [RELEVANT EVIDENCE.] In adjudicating under sections 1 to 12 the question of whether a plaintiff's personal injury or disease was caused by the release of a hazardous substance, any evidence having a tendency to make it more probable or less probable, that the hazardous substance causes, contributes to or increases the risk of injury or disease of the sort suffered by the plaintiff is relevant evidence on the issue of causation including:*

*(a) Evidence concerning the incidence of that sort of injury or disease in the population exposed to the release of that substance;*

*(b) Evidence of epidemiological studies;*

- (c) Evidence of animal studies;
- (d) Evidence of tissue culture studies; and
- (e) Evidence of laboratory or toxicologic studies.

*Subd. 2. [BURDEN OF PRODUCING EVIDENCE.] In adjudicating under sections 1 to 12 the question of whether a plaintiff's personal injury or disease was caused by the release of a hazardous substance, the burden of producing evidence related to causation shifts to the defendant and the question shall be submitted to the trier of fact if the plaintiff shows evidence sufficient to enable the trier of fact to find that:*

- (a) *There is a reasonable likelihood that the plaintiff was exposed to the hazardous substance found in the release;*
- (b) *There is a reasonable likelihood that exposure to the hazardous substance causes or significantly contributes to injury or disease of the sort suffered by the plaintiff; and*
- (c) *There is a reasonable likelihood that the quantity or duration of the plaintiff's exposure to the hazardous substance is sufficient to cause or significantly contribute to injury or disease of the sort suffered by the plaintiff.*

*Nothing in this subdivision affects the burden of persuasion on the question of whether the release of a hazardous substance caused a personal injury or disease. That burden remains with the plaintiff.*

**Sec. 6. [115B.06] [APPORTIONMENT OF LIABILITY; LIMITATION; CONTRIBUTION.]**

*Subdivision 1. [APPORTIONMENT FACTORS.] For the purposes of subdivisions 2 and 3, any person held jointly and severally liable under section 3 may seek an apportionment of the common liability. In apportioning the liability of any party under this section, the trier of fact shall consider the following:*

- (a) *The ability of the party to demonstrate that his contribution to a release of a hazardous substance can be distinguished;*
- (b) *The amount of hazardous substance involved;*
- (c) *The degree of toxicity of the hazardous substance involved;*
- (d) *The degree of involvement and care exercised in manufacturing, treating, transporting, and disposing of the hazardous substance;*
- (e) *The degree of cooperation with federal, state, or local officials to prevent any harm to the public health or the environment; and*
- (f) *Knowledge of the hazardous nature of the substance.*

*Subd. 2. [LIMITATION OF LIABILITY.] If a person who is held jointly and severally liable under section 3 is able to demonstrate by a preponderance of evidence that his share of the common liability can be apportioned and that his actions were not a significant factor in causing or contributing to the release or the damages resulting from it, then the liability of that person shall be limited to his proportionate share of the common liability.*

*Subd. 3. [CONTRIBUTION.] Any person held jointly and severally liable*

*under section 3 who is required to pay more than that person's proportionate share of the common liability is entitled to seek contribution from any other person liable for the damages to the extent of their proportionate liability.*

**Sec. 7. [115B.07] [CIVIL PENALTIES; FAILURE TO TAKE REQUESTED ACTIONS.]**

*Any person responsible for a release or threatened release of a hazardous substance, pollutant, or contaminant from a facility shall forfeit and pay to the state a penalty in an amount to be determined by the court of not more than \$10,000 per day for each day that the person fails to take response actions or to make reasonable progress in completing response actions requested as provided in this section. A request for emergency removal action shall be made by the director. Other requests for response actions shall be made by the agency. The request shall be in writing, shall state the action requested, the reasons for the action, and a reasonable time by which the action must be begun and completed taking into account the urgency of the action for protection of the public health, welfare, and environment.*

*The penalty provided under this section may be recovered by an action brought by the attorney general in the name of the state in connection with an action to recover expenses of the agency under section 14, subdivision 6, or by a separate action in the district court of Ramsey County. All penalties recovered under this section shall be deposited in the fund.*

**Sec. 8. [115B.08] [AGREEMENTS TO TRANSFER LIABILITY; INSURANCE AND SUBROGATION.]**

*No indemnification, hold harmless, conveyance, or similar agreement shall be effective to transfer the liability imposed under section 3 from the owner or operator of a facility or from any person who may be liable under section 3 to any other person. Nothing in this section shall be construed:*

*(a) To prohibit any party who may be liable under section 3 from entering an agreement by which that party is insured, held harmless or indemnified for part or all of that liability;*

*(b) To prohibit the enforcement of any insurance, hold harmless or indemnification agreement; or*

*(c) To bar any cause of action brought by a party who may be liable under section 3 or by an insurer or guarantor, whether by right of subrogation or otherwise.*

**Sec. 9. [115B.09] [STATUTE OF LIMITATIONS.]**

*No person may recover for any injury or loss pursuant to sections 3 to 11 unless the action is commenced within six years from the date of discovery of the injury or loss.*

**Sec. 10. [115B.10] [OTHER REMEDIES PRESERVED.]**

*Nothing in sections 1 to 12 shall affect the right of any person to bring a legal action or use any remedy available under any other provision of state or federal law, including common law, to recover for injury, disease or economic loss resulting from a release of any hazardous substance, or for removal or the costs of removal of that hazardous substance.*

**Sec. 11. [115B.11] [DOUBLE RECOVERY PROHIBITED.]**

*A person who recovers response costs or damages pursuant to sections 1 to 12 may not recover the same costs or damages pursuant to any other law. A person who recovers response costs or damages pursuant to any other state or federal law may not recover for the same costs or damages pursuant to sections 1 to 12.*

Sec. 12. [115B.12] [APPLICATION OF SECTIONS 1 TO 11.]

*Sections 1 to 11 apply to any release or threatened release of a hazardous substance occurring on or after July 1, 1982, including any release which began before July 1, 1982, and continued after that date. Sections 1 to 11 do not apply to a release or threatened release which occurred wholly before July 1, 1982, regardless of the date of discovery of any injury or loss caused by the release or threatened release.*

Sec. 13. [115B.13] [DISPOSITION OF FACILITIES.]

*Subdivision 1. [CLOSED DISPOSAL FACILITIES; USE OF PROPERTY.] No person shall use any property on or in which hazardous waste remains after closure of a disposal facility as defined in section 115A.03, subdivision 10, in any way that disturbs the integrity of the final cover, liners, or any other components of any containment system, or the function of the disposal facility's monitoring systems, unless the agency finds that the disturbance:*

*(a) Is necessary to the proposed use of the property, and will not increase the potential hazard to human health or the environment; or*

*(b) Is necessary to reduce a threat to human health or the environment.*

*Subd. 2. [RECORDING OF AFFIDAVIT AND NOTATION.] Before any transfer of ownership of any property on which the owner knew or should have known that a hazardous substance was disposed of or which the owner knew or should have known was contaminated by release of a hazardous substance, the owner shall record with the county recorder of the county in which the property is located an affidavit that discloses to any potential transferee:*

*(a) That the land has been used to dispose of hazardous waste or that the land has been contaminated by a release of a hazardous substance;*

*(b) The identity, quantity, location, condition and circumstances of the disposal or contamination to the full extent known or ascertainable; and*

*(c) That the use of the property may be restricted as provided in subdivision 1. An owner must also file an affidavit within 60 days after any material change in any matter required to be disclosed under clauses (a) to (c) with respect to property for which an affidavit has already been recorded.*

*When an affidavit is recorded, the owner shall record with the county recorder a notation on the deed to the property which states the existence of a hazardous substance on the property and the place where the recorded affidavit may be found.*

*If the owner or any subsequent owner of the property removes the hazardous substance, together with any residues, liner, and contaminated underlying and surrounding soil, that owner may record a notation to the deed indicating the removal of the hazardous substance.*

*Failure to record an affidavit or notation as provided in this subdivision*

does not affect or prevent any transfer of ownership of the property.

*Subd. 3. [DUTY OF COUNTY RECORDER.] The county recorder shall record all affidavits and notations presented to him in accordance with subdivision 2. The affidavits shall be recorded in a manner which will assure their disclosure in the ordinary course of a title search of the subject property.*

*Subd. 4. [PENALTIES.] (a) Any person who knowingly violates the provisions of subdivision 1 is subject to a civil fine of not more than \$100,000, and shall be liable under section 3 for any release or threatened release of any hazardous substance resulting from the violation.*

*(b) Any person who knowingly fails to record an affidavit or notation as required by subdivision 2 shall be liable under section 3 for any release or threatened release of any hazardous substance from a facility located on that property.*

*(c) A civil fine may be imposed and recovered by an action brought by a county attorney or by the attorney general in the district court of the county in which the property is located.*

*(d) Any civil fines recovered under this subdivision shall be deposited in the fund.*

**Sec. 14. [115B.14] [STATE RESPONSE TO RELEASES OF HAZARDOUS SUBSTANCES.]**

*Subdivision 1. [REMOVAL AND REMEDIAL ACTION.] Whenever there is a release or substantial threat of release from a facility into the environment of any pollutant or contaminant which presents an imminent and substantial danger to the public health or welfare, or whenever a hazardous substance is released or there is a threatened release of a hazardous substance into the environment from a facility:*

*(a) The agency may take any removal or remedial action relating to the hazardous substance, pollutant, or contaminant which the agency deems necessary to protect the public health or welfare or the environment. Before taking any action the agency shall:*

*(1) Request any responsible party known to the agency to take actions which the agency deems reasonable and necessary to protect the public health, welfare or the environment, stating the reasons for the actions, a reasonable time for beginning and completing the actions taking into account the urgency of the actions for protecting the public health, welfare and environment, and the intention of the agency to take action if the requested actions are not taken as requested; and*

*(2) Determine that the actions requested by the agency will not be taken by any known responsible party in the manner and within the time requested.*

*(b) The director may take removal action which he deems necessary to protect the public health, welfare or the environment if the director determines that the release or threatened release constitutes an emergency requiring immediate action to prevent, minimize or mitigate damage to the public health, welfare or the environment. Before taking any action the director shall make reasonable efforts in light of the urgency of the action to follow the procedure provided in clause (a), sub-clauses (1) and (2).*



*No removal action taken by any person shall be construed as an admission of liability for a release or threatened release.*

*Subd. 2. [POLLUTANT OR CONTAMINANT.] For the purposes of this section and section 7, "pollutant" or "contaminant" includes, but is not limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release from a facility into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions (including malfunctions in reproduction) or physical deformations, in the organisms or their offspring.*

*Subd. 3. [OTHER ACTIONS.] Whenever the agency or director is authorized to act pursuant to subdivision 1 or whenever the agency or director has reason to believe that a release of a hazardous substance, pollutant or contaminant has occurred or is about to occur, or that illness, disease, or complaints thereof may be attributable to exposure to a hazardous substance, pollutant, or contaminant, the agency or director may undertake investigations, monitoring, surveys, testing, and other information gathering necessary or appropriate to identify the existence and extent of the release or threat thereof, the source and nature of the hazardous substances, pollutants or contaminants involved, and the extent of danger to the public health or welfare or to the environment. In addition, the agency may undertake planning, legal, fiscal, economic, engineering, architectural, and other studies or investigations necessary or appropriate to plan and direct a response action, to recover the costs of the response action, and to enforce the provisions of sections 1 to 14.*

*Subd. 4. [DUTY TO PROVIDE INFORMATION.] Any person who is responsible for a release or threatened release as provided in section 3, subdivision 2, including a release or threatened release of a pollutant or contaminant, when requested by the agency, or any member, employee or agent thereof who is authorized by the agency, shall furnish to the agency any information which he may have or may reasonably obtain which is relevant to the release or threatened release.*

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

*(a) Examine and copy any books, papers, records, memoranda or data of any person who the agency has reason to believe is responsible for a release or threatened release as provided in section 3, subdivision 2, including a release of a pollutant or contaminant; and*

*(b) Enter upon any property, public or private, for the purpose of taking any action authorized by this section including obtaining information, examining records; conducting surveys or investigations, and taking removal or remedial action.*

*Any data collected or held by the agency pursuant to subdivision 4 or 5 shall be classified as private or non-public data as defined in section 15.162.*

*Subd. 6. [RECOVERY OF EXPENSES.] Any reasonable and necessary*

expenses incurred by the agency or director pursuant to this section including administrative and legal expenses may be recovered in a civil action brought by the attorney general under sections 1 to 12 or under any other law. The agency's certification of expenses shall be prima facie evidence that the expenses are reasonable and necessary. Any expenses incurred pursuant to this section which are recovered by the attorney general pursuant to sections 3 to 11 or any other law shall be deposited in the fund and may be appropriated only for additional response actions as provided in section 16, subdivision 2, clause (b) or (c).

**Subd. 7. [ACTIONS RELATING TO NATURAL RESOURCES.]** For the purpose of this subdivision, the state is the trustee of the air, water and wildlife of the state. An action pursuant to sections 1 to 12 for damages with respect to air, water or wildlife may be brought by the attorney general in the name of the state as trustee for those natural resources. Any damages recovered by the attorney general pursuant to sections 1 to 12 or any other law for injury to, or loss of natural resources resulting from the release of a hazardous substance shall be deposited in the fund and may be appropriated only for rehabilitation or restoration of natural resources as provided in section 16, subdivision 2, clause (c).

**Subd. 8. [ACTIONS RELATING TO PESTICIDES.]** When the commissioner of agriculture has reported an incident involving the release of pesticides under the provisions of section 18A.37, and the agency determines that the incident constitutes a release of a hazardous substance, pollutant or contaminant, the agency shall authorize the commissioner, subject to the provisions of subdivision 11, to take any action which the agency would be authorized to take under subdivisions 1 to 5. Subject to the provisions of section 16, subdivision 3, the agency shall reimburse the commissioner from the fund for the reasonable and necessary expenses incurred in taking those actions and may recover any amount spent from the fund under subdivision 6.

**Subd. 9. [ACTIONS RELATING TO OCCUPATIONAL SAFETY AND HEALTH.]** The agency, director and the commissioner of labor and industry shall make reasonable efforts to coordinate any actions taken under this section and under sections 182.65 to 182.674 to avoid duplication or conflict of actions or requirements with respect to a release or threatened release affecting the safety of any conditions or place of employment.

**Subd. 10. [LIMIT ON ACTIONS BY POLITICAL SUBDIVISIONS.]** When the agency or director has requested a person who is responsible for a release or threatened release to take any response action under subdivision 1, no political subdivision shall request or order that person to take any action which conflicts with the action requested by the agency or director.

**Subd. 11. [PRIORITIES; RULES.]** By August 1, 1982, the agency shall adopt a temporary list of priorities among releases or threatened releases for the purpose of taking remedial action and, to the extent practicable consistent with the urgency of the action, for taking removal action under this section. The temporary list, with any necessary modifications, shall remain in effect until nine months after criteria for determining priorities are published in the national contingency plan pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9605. By that date, the agency shall adopt rules establishing state criteria for determining priorities among releases and threatened re-

leases. After rules are adopted, a permanent priority list shall be established, and may be modified from time to time, according to the criteria set forth in the rules.

The temporary list and the rules required by this subdivision shall be based upon the relative risk or danger to public health or welfare or the environment, taking into account to the extent possible the population at risk, the hazardous potential of the hazardous substances at the facilities, the potential for contamination of drinking water supplies, the potential for direct human contact, the potential for destruction of sensitive ecosystems, the administrative and financial capabilities of the agency, and other appropriate factors.

#### Sec. 15. [PURPOSES OF FUND, TAXES AND FEES.]

In establishing the environmental response, compensation and compliance fund and imposing the taxes in sections 18 and 19, it is the purpose of the legislature to:

(a) Encourage treatment and disposal of hazardous waste in a manner that adequately protects the public health and welfare and the environment;

(b) Encourage responsible parties to provide the response actions necessary to protect the public and the environment from the effects of the release of hazardous substances;

(c) Encourage the use of alternatives to land disposal of solid and hazardous waste including resource recovery, recycling, neutralization and reduction;

(d) Provide state agencies with the financial resources needed to prepare and implement an effective and timely state response to the release of hazardous substances, including investigation, planning, removal and remedial action;

(e) Compensate local units of government for increased governmental expenses and loss of revenue and to provide other appropriate assistance to mitigate any adverse impact on communities in which commercial hazardous waste processing or disposal facilities are located under the siting process provided in chapter 115A;

(f) Recognize the environmental and public health costs of land disposal of solid waste and of the use and disposal of hazardous substances and to place the burden of financing state waste management activities on those whose products and services contribute to waste management problems and increase the risks of harm to the public and the environment.

#### Sec. 16. [ENVIRONMENTAL RESPONSE, COMPENSATION AND COMPLIANCE FUND.]

Subdivision 1. [ESTABLISHMENT.] The environmental response, compensation and compliance fund is created as an account in the state treasury and may be spent only for the purposes provided in subdivision 2.

Subd. 2. [PURPOSES FOR WHICH MONEY MAY BE SPENT.] Subject to appropriation by the legislature the money in the fund may be spent for any of the following purposes:

(a) Preparation by the agency for taking removal or remedial action under section 14, including investigation, monitoring and testing activities, enforce-

*ment and compliance efforts relating to the release of hazardous pollutants or contaminants;*

*(b) Removal and remedial actions taken or authorized by the agency or director under section 14 and payment of the state share of the cost of remedial action which may be carried out under a cooperative agreement with the federal government pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9604(c)(3) for actions related to facilities other than those located under the siting authority of chapter 115A;*

*(c) Removal and remedial actions taken or authorized by the agency or director under section 14 and payment of the state share of the cost of remedial action which may be carried out under a cooperative agreement with the federal government pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9604(c)(3) for actions related to commercial hazardous waste facilities located under the siting authority of chapter 115A;*

*(d) Compensation to local units of government as provided by law, after submission by the waste management board of the report required under section 115A.08, subdivision 5, to mitigate any adverse impact of the location of commercial hazardous waste processing or disposal facilities located pursuant to the siting authority of chapter 115A;*

*(e) Planning and implementation by the commissioner of natural resources of the rehabilitation, restoration or acquisition of natural resources to remedy injuries or losses to natural resources resulting from the release of a hazardous substance;*

*(f) Inspection and monitoring by the agency, or by local units of government with agency approval, of commercial hazardous waste facilities located under the siting authority of chapter 115A;*

*(g) Grants by the agency or the waste management board to demonstrate alternatives to land disposal of solid and hazardous waste including reduction, separation, pretreatment, processing and resource recovery, for education of persons involved in regulating and handling solid and hazardous waste, and to assist counties to develop comprehensive waste management plans; and*

*(h) Intervention and environmental mediation by the legislative commission on waste management under chapter 115A.*

*Subd. 3. [LIMIT ON CERTAIN EXPENDITURES.] The director or agency may not spend any money under subdivision 2, clause (b) or (c) for removal or remedial actions to the extent that the costs of those actions may be compensated from any fund established under the Federal Superfund Act, 42 U.S.C. Section 9600 et seq. The director or agency shall determine the extent to which any of the costs of those actions may be compensated under the federal act based on the likelihood that the compensation will be available in a timely fashion taking into account:*

*(a) The urgency of the removal or remedial actions and the priority assigned under the Federal Superfund Act to the release which necessitates those actions;*

*(b) The availability of money in the funds established under the Federal Superfund Act; and*

*(c) The consistency of any compensation for the cost of the proposed actions*

*under the Federal Superfund Act with the national contingency plan, if such a plan has been adopted under that act.*

*Subd. 4. [REVENUE SOURCES.] Revenue from the following sources shall be deposited in the environmental response, compensation and compliance fund:*

*(a) The proceeds of the taxes imposed pursuant to sections 18 and 19, including interest and penalties;*

*(b) All money recovered by the state under section 14, subdivisions 6 and 7;*

*(c) All money paid to the agency in matters relating to the enforcement of sections 1 to 13 or any other statute or rule related to the regulation of hazardous waste or hazardous substances, including civil penalties and money paid under any agreement, stipulation or settlement;*

*(d) All interest attributable to investment of money deposited in the fund; and*

*(e) All money received in the form of gifts, grants, reimbursement or appropriation from any source for any of the purposes provided in subdivision 2, except federal grants.*

*Subd. 5. [RECOMMENDATION BY LCWM.] The legislative commission on waste management shall make recommendations on appropriations from the fund to the standing legislative committees on finance and appropriations.*

*Subd. 6. [REPORT TO LEGISLATURE.] At the end of each fiscal year, the agency shall submit to the senate finance committee, the house appropriations committee and the legislative commission on waste management a report detailing the activities for which money from the environmental response, compensation and compliance fund has been spent during that year.*

#### **Sec. 17. [TAXES AND FEES; DEFINITIONS.]**

*Subdivision 1. [APPLICATION.] The definitions provided in this section apply to sections 17 to 22.*

*Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of revenue.*

*Subd. 3. [MIXED MUNICIPAL SOLID WASTE.] "Mixed municipal solid waste" means the waste defined in section 115A.02, subdivision 21.*

*Subd. 4. [SOLID WASTE DISPOSAL FACILITY.] "Solid waste disposal facility" means real or personal property which is primarily used for the land disposal of mixed municipal solid waste.*

*Subd. 5. [GENERATOR.] "Generator" means a person who generates hazardous waste and who is required to disclose the generation of hazardous waste under the hazardous waste rules of the agency adopted under section 116.07.*

*Subd. 6. [OPERATOR.] "Operator" means the permittee, owner, or other person in control of the facility under a lease, contract, or other arrangement.*

#### **Sec. 18. [SOLID WASTE DISPOSAL TAX.]**

*Subdivision 1. [AMOUNT OF TAX; APPLICATION.] The operator of any solid waste disposal facility shall pay a tax on solid waste accepted at the*

facility as follows:

(a) A solid waste disposal facility that weighs the waste which it accepts shall pay a tax of \$2 per ton of solid waste accepted.

(b) A solid waste disposal facility which does not weigh the waste which it accepts but which measures the volume of the waste shall pay a tax of 80 cents per cubic yard of waste accepted.

(c) A solid waste disposal facility which does not measure the weight or volume of waste accepted shall pay an annual tax of \$1.80 per capita based on the population served by the facility.

(d) The tax imposed under clause (a), (b), or (c) may be reduced by the amount of tax which is attributable to waste accepted by the facility which is separated for recycling or reuse and is not land disposed.

(e) The tax imposed under clause (a), (b), or (c) applies to a solid waste disposal facility operated by a political subdivision only if the political subdivision imposes a charge for the use of the facility on or after January 1, 1982.

Subd. 2. [CONSOLIDATED HEARING ON POPULATION OF SERVICE AREAS.] The tax imposed under subdivision 1, clause (c), shall be based on the population of the area served by a solid waste facility as determined by the agency under this subdivision. By July 1, 1982, the agency shall publish in the state register a list showing each facility subject to tax under subdivision 1, clause (c), and the population of its service area as determined by the agency. By July 1 in each succeeding even-numbered year the agency shall publish a list of those facilities subject to tax under subdivision 1, clause (c), for which the agency has determined a new population figure. For a facility which receives a modified landfill permit under the rules of the agency adopted pursuant to section 116.07, the population shall not be less than the number determined in the permitting process.

The list shall be published with a notice of the right of any operator of a facility subject to tax under subdivision 1, clause (c), to challenge the population determination upon which its tax will be based. A copy of the list and notice shall be sent to each operator subject to tax under subdivision 1, clause (c).

An operator who wishes to challenge the determination of the agency shall notify the agency of his intention and shall provide written evidence to the agency to support his challenge within 30 days of receipt of notice. The agency shall hold a single contested case hearing as necessary to determine any and all challenges to its determination under this subdivision. The hearing shall be completed and the decision of the agency shall be rendered not later than December 1 after the list and notice are published.

The population of a service area as determined under this subdivision shall be conclusive for the purpose of the tax imposed under subdivision 1, clause (c).

Subd. 3. [DISPOSITION OF PROCEEDS.] The proceeds of the tax imposed under this section including any interest and penalties, less the commissioner's costs of administration, shall be deposited in the fund.

Sec. 19. [HAZARDOUS WASTE GENERATOR TAX.]

*Subdivision 1. [TAX IMPOSED; EXCLUSIONS.] Each generator of hazardous waste shall pay the tax imposed by this section based upon the volume and destination of the hazardous wastes generated. The generator disclosure forms, annual reports, and hazardous waste management plans required under rules of the agency adopted pursuant to section 116.07 shall be prima facie evidence of the volume and destination of hazardous wastes generated. The tax imposed by this section does not apply to hazardous wastes destined for recycling and reuse or to waste oil.*

*Subd. 2. [LONG TERM CONTAINMENT WITHOUT TREATMENT.] Hazardous waste destined for long term containment without treatment, including land disposal and long term storage, shall be taxed at the rate of five cents per gallon of liquid or \$5 per cubic yard of solid.*

*Subd. 3. [LONG TERM CONTAINMENT AFTER TREATMENT.] Hazardous waste destined for long term containment after treatment shall be taxed at the rate of four cents per gallon of liquid or \$4 per cubic yard of solid.*

*Subd. 4. [OTHER TREATMENT.] Hazardous waste destined for chemical treatment to produce a material which is not hazardous or which is destined for destructive treatment by incineration or other means shall be taxed at the rate of two cents per gallon of liquid or \$2 per cubic yard of solid.*

*Subd. 5. [ON-SITE TREATMENT; REDUCED TAX.] Hazardous wastes which are treated in a manner provided in subdivision 3 or 4 before the wastes are transported along any public street or highway as defined in section 169.01, subdivision 29, shall be taxed at one-half the rate at which they would otherwise be taxed.*

*Subd. 6. [DISPOSITION OF PROCEEDS.] The proceeds of the tax imposed under this section including any interest and penalties, less the commissioner's costs of administration; shall be deposited in the fund and may be appropriated for any purpose provided in section 16, subdivision 2, except the purposes provided in clauses (b) and (c) of that section.*

#### Sec. 20. [SEVERABILITY.]

*If any tax imposed under section 18 or 19 is found to be invalid because of the purpose for which the proceeds were appropriated or made available under section 16, subdivision 2, the proceeds of that tax shall not be appropriated or available for the objectionable purposes, but the tax shall continue to be imposed and the proceeds shall be appropriated and made available for other purposes provided in section 16, subdivision 2.*

#### Sec. 21. [TAX ADMINISTRATION AND ENFORCEMENT.]

*Subdivision 1. [REQUIREMENT OF DECLARATIONS OF ESTIMATED TAX.] Except as provided in subdivision 7, any person required to pay a tax under section 18 or 19 shall file with the commissioner of revenue a declaration of his estimated tax for the calendar year. For the purpose of this section, "estimated tax" means the amount which the person estimates as the sum of the taxes imposed on him by section 18 or 19 for the calendar year. The declaration shall be in the form and contain the information required by the commissioner of revenue.*

*Subd. 2. [DATES OF DECLARATIONS.] Declarations of estimated tax required by subdivision 1 shall be filed by April 15 each year, except that if the*

person initially accrues a tax liability under section 18 or 19

(a) After April 1 and before June 2, the declaration shall be filed by June 15, or

(b) After June 1 and before September 2, the declaration shall be filed by September 15, or

(c) After September 1, the declaration shall be filed by January 15 of the succeeding year.

An individual may make amendments of a declaration filed during the taxable year, under regulations prescribed by the commissioner of revenue.

The commissioner may grant a reasonable extension of time for filing the declaration and paying the estimated tax, but for no more than six months.

Subd. 3. [DATES OF PAYMENTS.] (1) The amount of estimated tax with respect to which a declaration is required by subdivision 1 shall be paid as follows:

(a) If the declaration is filed on or before April 15, it shall be paid in four equal installments. The first installment shall be paid at the time of the filing of the declaration, the second and third on June 15 and September 15, respectively, of the year during which the liability accrues, and the fourth on January 15 of the succeeding year.

(b) If the declaration is filed after April 15 and not after June 15, and is not required by subdivision 2 to be filed on or before April 15, the estimated tax shall be paid in three equal installments. The first installment shall be paid at the time of the filing of the declaration, the second on September 15, and the third on January 15 of the succeeding year.

(c) If the declaration is filed after June 15 and not after September 15, and is not required by subdivision 2 to be filed on or before June 15, the estimated tax shall be paid in two equal installments. The first installment shall be paid at the time of the filing of the declaration, and the second on January 15 of the succeeding year.

(d) If the declaration is filed after September 15, and is not required by subdivision 2 to be filed on or before September 15, the estimated tax shall be paid in full at the time of the filing of the declaration.

(e) If the declaration is filed after the time prescribed in subdivision 2 including cases in which an extension of time for filing the declaration has been granted, subparagraphs (b), (c), and (d) of this paragraph shall not apply, and there shall be paid at the time of the filing all installments of estimated tax which would have been payable on or before that time if the declaration had been filed within the time prescribed in subdivision 2, and the remaining installments shall be paid at the times at which, and in the amounts in which, they would have been payable if the declaration had been so filed.

(2) If any amendment of a declaration is filed, the remaining installments, if any, shall be ratably increased or decreased to reflect the increase or decrease in the estimated tax under amendment, and if the amendment is made after September 15, any increase in the estimated tax by reason thereof shall be paid at the time of making the amendment.

(3) At the election of the taxpayer any installment of the estimated tax may be



paid prior to the date prescribed for its payment.

(4) Payment of the estimated tax, or any installment thereof, shall be considered payment on account of the taxes imposed upon the person by section 18 or 19 for the year.

*Subd. 4. [OVERPAYMENT OF ESTIMATED TAX.] If the amount of an installment payment of estimated tax exceeds the amount determined to be the correct amount of the installment payment, the overpayment shall be credited against the unpaid installments, if any. If the total amount of the estimated tax payments exceeds by \$1 or more the taxes, and any penalties and interest, reported in the return of the taxpayer or imposed upon him by section 18 or 19, the amount of the excess shall be refunded to the taxpayer. If the amount of the excess is less than \$1 the commissioner shall not be required to refund that amount. If the amount of the excess to be refunded exceeds \$10, it shall bear interest at the rate of six percent per annum, computed from 90 days after (a) the due date of the return of the taxpayer or (b) the date on which his return is filed, whichever is later, until the date the refund is paid to the taxpayer. The provisions of section 270.10 shall not be applicable.*

Any action of the commissioner in refunding the amount of the excess shall not constitute a determination of the correctness of the return of the taxpayer.

The commissioner of finance shall cause any refund of tax and interest to be paid out of the fund established in section 16, and so much of that fund as may be necessary is hereby appropriated for that purpose.

*Subd. 5. [UNDERPAYMENT OF ESTIMATED TAX.] (1) In the case of any underpayment of estimated tax, except as provided in paragraph (4), there may be added to and become a part of the taxes imposed by section 18 or 19 for the year an amount determined at the rate specified in section 270.75 upon the amount of the underpayment for the period of the underpayment.*

(2) For purposes of the preceding paragraph, the amount of underpayment shall be the excess of

(a) The amount of the installment which would be required to be paid if the estimated tax were equal to 80 percent of the taxes shown on the return for the year or the taxes for the year if no return was filed, over

(b) The amount, if any, of the installment paid on or before the last day prescribed for payment.

(3) The period of the underpayment shall run from the date the installment was required to be paid to whichever of the following dates is the earlier:

(a) April 15;

(b) With respect to any portion of the underpayment, the date on which the portion is paid. For purposes of this subparagraph, a payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent the payment exceeds the amount of the installment determined under paragraph (2) (a) for the installment date.

(4) The addition to the tax shall not be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of the installment equals or exceeds the amount which would have been required to be paid on or before that date if the estimated tax were

whichever of the following is the lesser:

(a) The total tax liability shown on the return of the person for the preceding year (if a return showing a liability for taxes was filed by the person for the preceding year), or

(b) An amount equal to 80 percent of the tax for the tax liability computed by placing on an annualized basis the tax liability for the months in the year ending before the month in which the installment is required to be paid. For purposes of this subparagraph, the tax liability shall be placed on an annualized basis by

(i) Multiplying by 12 (or in the case of a taxable year when a tax liability accrued during a period shorter than 12 months, the number of months in the period when the liability accrued) the tax liability computed for the months in the year ending before the month in which the installment is required to be paid;

(ii) Dividing the resulting amount by the number of months in the year ending before the month in which the installment date falls.

**Subd. 6. [FAILURE TO PAY.]** Any person required under this section to pay an estimated tax, who wilfully fails to pay the estimated tax at the time required by law or regulations, shall, in addition to other penalties provided by law, be guilty of a gross misdemeanor.

**Subd. 7. [PAYMENT BY OUT-OF-STATE GENERATORS.]** A generator of any hazardous waste which is generated outside of this state and is transported into this state for long term containment or treatment as described in subdivisions 2 to 4 shall pay the tax imposed by this section at the first point at which the hazardous wastes are received by a person in this state for storage, treatment or long term containment. The tax shall be paid to the person who first receives the wastes in this state at the time the waste is received and shall be remitted by that person to the commissioner of revenue quarterly in the form and manner provided by the commissioner.

**Subd. 8. [DUTIES OF THE AGENCY.]** The agency shall provide to the commissioner the names and addresses of all persons known to the agency who are subject to tax under section 18 or 19, together with any information which the agency possesses concerning the amount of solid waste accepted or hazardous waste generated and disposed of by those persons. The agency shall notify the commissioner of any suspected inaccurate or fraudulent declaration or return and may audit any person subject to tax under section 18 or 19 when requested by the commissioner.

**Subd. 9. [PENALTIES; ENFORCEMENT.]** The audit, penalty and enforcement provisions applicable to taxes imposed under chapter 290 apply to the taxes imposed under sections 18 and 19 and those provisions shall be administered by the commissioner.

**Subd. 10. [RULES.]** The commissioner may adopt temporary and permanent rules necessary to implement the provisions of this section. The agency may adopt temporary and permanent rules necessary to implement the provisions of sections 18 and 19.

**Sec. 22. [SOLID AND HAZARDOUS WASTE ADMINISTRATION FEES.]**

*Subdivision 1. [FEE SCHEDULES.] The agency shall establish the fees provided in subdivisions 2 and 3 in the manner provided in section 16A.128 in order to raise an amount of fees sufficient to cover the non-federally funded portion of the amount appropriated to the agency for that year for administrative expenses of the solid and hazardous waste division of the agency, excluding any portion of the appropriation for which the legislature provides that fees need not be collected and any amount appropriated under section 16, subdivision 2, clauses (a) and (f). Fees collected from solid waste and hazardous waste activities shall approximate the expenses of the agency for regulation of solid waste and hazardous waste respectively. All fees collected by the agency under this section shall be deposited in the general fund.*

*Subd. 2. [HAZARDOUS WASTE GENERATOR FEE.] Each generator of hazardous waste shall pay a fee on the hazardous waste which he generates. The agency shall compute the amount of the fee due based on the hazardous waste disclosures submitted by the generators and other information available to the agency. The agency shall annually prepare a statement of the amount of the fee due from each generator. The fee shall be paid quarterly commencing with the first day of the calendar quarter after the date of the statement.*

*The agency may exempt generators of small quantities of hazardous wastes otherwise subject to the fee if it finds that the cost of administering a fee on those generators is excessive relative to the proceeds of the fee. The fee shall consist of a minimum fee for each generator not exempted by the agency and an additional fee which generally reflects the quantity of wastes generated by the generator.*

*If any metropolitan counties recover the costs of administering county hazardous waste regulations by charging fees, the fees charged by the agency shall not exceed the fees charged by those counties and the agency shall impose a surcharge on the fees charged by the metropolitan counties and by the agency to reflect the agency's expenses in carrying out its statewide hazardous waste regulatory responsibilities. Metropolitan counties shall remit the proceeds of the surcharge to the agency.*

*Subd. 3. [FACILITY FEES.] The agency shall charge an original permit fee, a reissuance fee and an annual operator's fee for any solid waste or hazardous waste facility permitted by the agency. The agency may include reasonable and necessary costs of any environmental review required under chapter 116D in the original permit fee for any solid waste or hazardous waste facility.*

Sec. 23. Minnesota Statutes 1980, Section 116.03, Subdivision 3, is amended to read:

*Subd. 3. The director of the pollution control agency is the state agent to apply for, receive, and disburse federal funds made available to the state by federal law or rules and regulations promulgated thereunder for any purpose related to the powers and duties of the pollution control agency or the director. He shall comply with any and all requirements of such federal law or such rules and regulations promulgated thereunder to enable him to apply for, receive, and disburse such funds. All such moneys received by the director shall be deposited in the state treasury and are hereby annually appropriated to him for the purposes for which they are received. None of such moneys in the state treasury shall cancel and they shall be available for expenditure in accordance*

with the requirements of federal law.

No application for federal funds under this subdivision shall be submitted to federal authorities for approval unless the proposed budget for the expenditure of federal funds is approved by the governor and reported to the legislative committees designated in section 16.165 and, when the legislature is not in session, reported to the standing committee on finance of the senate and the standing committee on appropriations of the house of representatives.

*The provisions of section 3.3005 shall not apply to emergency response moneys available without requirement of a state match under the Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sections 9601 to 9657. The receipt of the moneys shall be reported to the legislative advisory commission.*

Sec. 24. Minnesota Statutes 1980, Section 466.01, is amended by adding a subdivision to read:

*Subd. 3. For the purposes of sections 466.01 to 466.15, "release" and "hazardous substance" have the meanings given in section 2.*

Sec. 25. Minnesota Statutes 1980, Section 466.04, Subdivision 1, is amended to read:

Subdivision 1. [LIMITS; PUNITIVE DAMAGES.] Liability of any municipality on any claim within the scope of sections 466.01 to 466.15 shall not exceed

(a) \$100,000 when the claim is one for death by wrongful act or omission and \$100,000 to any claimant in any other case;

(b) \$300,000 for any number of claims arising out of a single occurrence;

(c) *Twice the limits provided in clauses (a) and (b) when the claim arises out of the release or threatened release of a hazardous substance, whether the claim is brought under sections 1 to 12 or under any other law.*

No award for damages on any such claim shall include punitive damages.

Sec. 26. [APPROPRIATION.]

*Subdivision 1. [FUND.] The appropriations in this section are from the environmental response, compensation and compliance fund, and are available until July 1, 1983.*

*Subd. 2. [RESPONSE ACTIONS.] All revenues deposited in the fund before July 1, 1983, except the proceeds of the tax imposed under section 19, and any money recovered under section 14, subdivision 7, are appropriated to the agency for actions under section 16, subdivision 2, clause (b).*

*Subd. 3. [PREPARATION FOR RESPONSE.] All revenues deposited in the fund before July 1, 1983, as proceeds of the tax imposed under section 19 are appropriated to the agency for the purposes of section 16, subdivision 2, clause (a).*

Sec. 27. [EFFECTIVE DATE.]

*Sections 18 to 21 are effective the day following final enactment except that the taxes imposed by sections 18 and 19 are effective January 1, 1983. Section 22 is effective July 1, 1983. The remaining sections of this act are effective July*

1, 1982.”

Delete the title and insert:

“A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; imposing taxes, fees, and penalties; appropriating money; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; 466.01, by adding a subdivision; and 466.04, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 115B.”

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

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

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.

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

Page 1, line 11, after “any” insert “live”

Page 1, line 12, delete “use as a personal pet” and insert “any purpose whatsoever”

Page 1, line 13, after “any” insert “live”

Page 1, line 15, delete “LIMITATION” and insert “EXCEPTION”

Page 1, after line 20, insert:

“Subd. 3. [COMMERCIAL OPERATIONS.] *Notwithstanding the provisions of subdivision 1, any person who, on the effective date of this section, is engaged in a business in this state which includes the buying or selling of skunks may continue to buy or sell skunks or to export skunks until January 1, 1985, but shall not import any live skunks after the effective date of this section. Any person may purchase a skunk from a person who is allowed to sell a skunk under this subdivision until January 1, 1985. This subdivision is repealed July 1, 1985.*”

Page 1, line 21, delete “subdivision” and insert “subdivisions” and after “I” insert “or 3”

Page 1, line 24, delete “July 31, 1987” and insert “the day following final enactment”

Renumber the subdivisions in sequence

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

**SECOND READING OF SENATE BILLS**

S.F. Nos. 328, 480, 1703, 1637, 1589, 1567, 1582, 1691 and 1443 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. No. 749 was read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Dicklich moved that the name of Mr. Waldorf be added as a co-author to S.F. No. 709. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 786. The motion prevailed.

Mr. Renneke moved that the name of Mr. Setzepfandt be stricken as a co-author to S.F. No. 1421. The motion prevailed.

Mr. Renneke moved that his name be stricken as chief author, added as a co-author, and Mr. Peterson, C.C. be added as chief author to S.F. No. 1421. The motion prevailed.

Mr. Sikorski moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1563. The motion prevailed.

Mr. Willet moved that the name of Mr. Lessard be added as a co-author to S.F. No. 1747. The motion prevailed.

Mr. Spear moved that the name of Mrs. Brataas be added as a co-author to S.F. No. 1775. The motion prevailed.

Mr. Wegener moved that the name of Mr. Lessard be added as a co-author to S.F. No. 1790. The motion prevailed.

Mr. Wegener moved that the name of Mr. Lessard be added as a co-author to S.F. No. 1792. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Lessard be added as a co-author to S.F. No. 1797. The motion prevailed.

Mr. Spear moved that the name of Mr. Ashbach be added as a co-author to S.F. No. 1856. The motion prevailed.

Mr. Knoll moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1882. The motion prevailed.

Mr. Bertram moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1897. The motion prevailed.

Mr. Penny moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1899. The motion prevailed.

Mr. Merriam moved that the name of Mr. Bertram be added as a co-author to S.F. No. 1905. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1935. The motion prevailed.

Mr. Rued moved that the name of Mr. Bertram be added as a co-author to S.F. No. 1938. The motion prevailed.

Mr. Peterson, D.L. moved that the name of Mr. Rued be added as a co-author to S.F. No. 1956. The motion prevailed.

Ms. Berglin moved that the names of Messrs. Spear, Ulland and Lindgren be added as co-authors to S.F. No. 1957. The motion prevailed.

### NOTICE OF RECONSIDERATION

Mr. Benson gave notice of intention to move for reconsideration of S.F. No. 429 on Wednesday, February 17, 1982.

### CALENDAR

H.F. No. 552: A bill for an act relating to commerce; prohibiting fraud in the use of recreational camping areas; providing a penalty; amending Minnesota Statutes 1980, Sections 327.07; and 327.14, Subdivision 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 60 and nays 1, as follows:

Those who voted in the affirmative were:

Bang	Dicklich	Kroening	Pehler	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	Lindgren	Petty	Stumpf
Bertram	Hughes	Luther	Purfeerst	Taylor
Brataas	Humphrey	Menning	Ramstad	Tennessen
Chmielewski	Johnson	Merriam	Renneke	Ulland
Dahl	Kamrath	Moe, D. M.	Rued	Vega
Davies	Keefe	Moe, R. D.	Schmitz	Wegener
Davis	Knoll	Nelson	Setzepfandt	Willet

Mr. Knutson voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 1612: A resolution memorializing the life and work of Sigurd F. Olson.

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 59 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the resolution passed and its title was agreed to.

S.F. No. 1088: A bill for an act relating to real property; providing for the registration of certain possessory estates in real property without court proceedings; providing for a changeover from a certificate of possessory title to a certificate of title after a certain number of years; proposing new law coded as Minnesota Statutes, Chapter 508A.

Was read the third time 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:

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	Hughes	Luther	Pillsbury	Taylor
Bertram	Humphrey	Menning	Purfeerst	Tennessee
Brataas	Johnson	Merriam	Ramstad	Ulland
Chmielewski	Kamrath	Moe, D. M.	Renneke	Vega
Dahl	Keefe	Moe, R. D.	Rued	Wegener
Davies	Knoll	Nelson	Schmitz	Willet
Davis	Knutson	Olhoft	Setzepfandt	
Dicklich	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1539: A bill for an act relating to state collective bargaining units; adopting a modified unit composition schedule for state employees; amending Minnesota Statutes 1980, Section 179.741, Subdivision 1; and Minnesota Statutes 1981 Supplement, Section 179.74, 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Penny	Stern
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	Hughes	Menning	Ramstad	Vega
Bertram	Humphrey	Merriam	Renneke	Wegener
Brataas	Johnson	Moe, D. M.	Rued	Willet
Chmielewski	Kamrath	Moe, R. D.	Schmitz	
Dahl	Knoll	Nelson	Setzepfandt	
Davies	Knutson	Olhoft	Sikorski	
Davis	Kroening	Pehler	Spear	

So the bill passed and its title was agreed to.

### CONSENT CALENDAR

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.

With the unanimous consent of the Senate, Mr. Dahl moved to amend S.F. No. 1422 as follows:

Pages 1 to 3, delete sections 1 and 2 and insert:

"Section 1: Minnesota Statutes 1981 Supplement, Section 168.12, Subdivision 2, is amended to read:

Subd. 2. [AMATEUR RADIO STATION LICENSEE; SPECIAL LICENSE PLATES.] Any applicant who is an owner or joint owner of a 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 the motor vehicle, as prescribed by law for passenger cars *and motorcycles*, upon which, in lieu of the numbers required for identification under subdivision 1, shall be inscribed the official amateur call letters of the applicant, as assigned by the Federal Communications Commission. The applicant shall pay in addition to the registration tax required by law, the sum of \$10 for the special license plates, and at the time of delivery of the special license plates the applicant shall surrender to the registrar the current license plates issued for the motor vehicle. This provision for the issue of special license plates shall apply only if the applicant's passenger automobile *or motorcycle* is already registered in Minnesota so that the applicant has valid regular Minnesota plates issued for that passenger automobile *or motorcycle* 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 subdivision, the registrar shall furnish the applicant with the special plates, inscribed with the official amateur call letters and other distinguishing information as the registrar considers necessary, for each of the two vehicles. And the registrar may make reasonable regulations governing the use of the special license plates as will assure the full compliance by the owner and holder of the special plates, with all existing laws governing the registration of motor vehicles, the transfer and the use thereof. When the ownership of a motor vehicle for which special license plates have been furnished by the registrar, changes from one person to another, the special license plates herein authorized shall be promptly removed from the motor vehicle by the seller and returned to the registrar, at which time the seller or the buyer of the motor vehicle shall be entitled to receive license plates for the motor vehicle as provided in section 168.15.

Sec. 2. Minnesota Statutes 1981 Supplement, 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, *or motorcycle*, upon compliance with all laws of this state relating to registration of the vehicle, and upon payment of a fee of \$100 in addition to the registration tax required by law for

the vehicle. In lieu of the numbers assigned as provided in subdivision 1, 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, the applicant shall have a prior claim for similar personalized plates in the next succeeding year that plates are issued if application is made for them at least 30 days prior to the first date on which 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 personalized license plates. No words or combination of letters placed on personalized license plates may be used for commercial advertising or be of an obscene, indecent or immoral nature, or 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 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."

Amend the title as follows:

Page 1, line 5, delete "1980" and insert "1981 Supplement"

The motion prevailed. So the amendment was adopted.

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 1981 Supplement, Section 168.12, Subdivisions 2 and 2a.

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 1, as follows:

Those who voted in the affirmative were:

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

Mr. Keefe voted in the negative.

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

### GENERAL ORDERS

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

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

S.F. Nos. 233, 1510, 1499, 1256, 1621 and 709, which the committee recommends to pass.

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

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Pillsbury introduced—

S.F. No. 1973: A bill for an act relating to local government; providing for the proration of local government aids in proportion to sales tax revenues; proposing new law coded in Minnesota Statutes, Chapter 477A.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Solon, Frederick and Davies introduced—

S.F. No. 1974: A bill for an act relating to commerce; exempting dairy retailers from prohibitions against certain practices; limiting certain powers of the commissioner of agriculture; amending Minnesota Statutes 1980, Section 32A.05, Subdivision 3; and Minnesota Statutes 1981 Supplement, Section 32A.04, Subdivision 1.

Referred to the Committee on Commerce.

Messrs. Keefe, Rued and Ashbach introduced—

S.F. No. 1975: A bill for an act relating to economic development; establishing a program of challenge grants for certain University of Minnesota research centers with the ultimate purpose of aiding the state's high technology business; appropriating money.

Referred to the Committee on Finance.

Messrs. Taylor, Chmielewski, Frederick and Petty introduced—

S.F. No. 1976: A bill for an act relating to unemployment compensation; altering provision as to advance of federal funds; altering "triggers" relating to extended benefits; altering eligibility requirements for extended benefits; altering eligibility and disqualifying provisions for individuals whose training is approved under the federal trade act of 1974; providing for the interception of unemployment benefits to satisfy child support obligations; amending Minne-

sota Statutes 1980, Sections 268.05, Subdivision 6; 268.071, Subdivisions 1, 3, 5, and 6, and by adding subdivisions; 268.08, Subdivision 1; and 268.09, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 268; repealing Minnesota Statutes 1980, Section 268.07, Subdivision 4.

Referred to the Committee on Employment.

Messrs. Tennesen, Solon and Benson introduced—

S.F. No. 1977: A bill for an act relating to insurance; group health and accident; including certain debtors under the provisions relating to this insurance; amending Minnesota Statutes 1980, Section 62A.10, Subdivision 1.

Referred to the Committee on Commerce.

Messrs. Kamrath, Knutson and Bernhagen introduced—

S.F. No. 1978: A bill for an act relating to energy; making administrative changes in laws governing duties of the commissioner, fuel set-asides, report confidentiality, agency reporting, demonstration projects and energy efficient building education; deleting a requirement for reporting by public schools; amending Minnesota Statutes 1980, Section 116H.15, Subdivisions 1 and 3; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.128; 116H.15, Subdivision 2; and 116H.18; repealing Minnesota Statutes 1981 Supplement, Section 120.78, Subdivision 1.

Referred to the Committee on Energy and Housing.

Mr. Stumpf introduced—

S.F. No. 1979: A bill for an act relating to intoxicating liquor; veteran's organization licenses in first class cities; amending Minnesota Statutes 1980, Section 340.11, Subdivision 11.

Referred to the Committee on Commerce.

Mr. Stumpf introduced—

S.F. No. 1980: A bill for an act relating to libraries; requiring each county to be a member of a regional public library system; making a county's decision to join a particular system subject to board of education approval; establishing conditions under which a county shall be allowed to join an existing regional public library system; proposing new law coded in Minnesota Statutes, Chapter 375.

Referred to the Committee on Education.

Messrs. Ulland, Bernhagen, Humphrey and Mrs. Kronebusch introduced—

S.F. No. 1981: A bill for an act relating to taxation; providing that cost of certain energy conservation improvements is a special levy; extending the residential energy credit to certain superinsulation construction; amending Minnesota Statutes 1980, Section 275.50, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 14.

Referred to the Committee on Energy and Housing.

Messrs. Rued and Wegener introduced—

S.F. No. 1982: A bill for an act relating to education; clarifying provisions concerning the Minnesota Indian scholarship committee which assists the state board of education in awarding scholarships to Indian residents; appropriating money; amending Minnesota Statutes 1980, Section 124.48.

Referred to the Committee on Education.

Messrs. Bernhagen, Ulland, Rued and Setzepfandt introduced—

S.F. No. 1983: A bill for an act relating to agriculture; changing certain deadlines; eliminating certain duties of the commissioner of agriculture and county agricultural agents; allowing the sale of certain flowers, canning compounds and butter; eliminating certain presumptions relating to dairy industry discrimination; amending Minnesota Statutes 1980, Section 38.02, Subdivisions 1 and 3; repealing Minnesota Statutes 1980, Sections 17.031; 17.032; 17.23; 31.401 to 31.406; 32.12; 32.472; and 32.473.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Rued and Mrs. Brataas introduced—

S.F. No. 1984: A bill for an act relating to taxation; income; deleting certain provisions relating to the taxation of unitary business income; amending Minnesota Statutes 1980, Section 290.34, Subdivision 2, as amended; Minnesota Statutes 1981 Supplement, Section 290.17, Subdivision 2, as amended; 290.21, Subdivision 4, as amended.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bernhagen introduced—

S.F. No. 1985: A bill for an act relating to agriculture; transferring the state soil and water conservation board to the department of agriculture; amending Minnesota Statutes 1980, Section 40.03, Subdivisions 1, 2 and 4.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Ulland and Waldorf introduced—

S.F. No. 1986: A bill for an act relating to energy; definition of large facility; conservation information and education; emergency plan; local zoning of wind energy conversion systems; amending Minnesota Statutes 1980, Sections 116H.02, Subdivision 5; 394.25, Subdivision 2; and 462.357, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 116H.085; 116H.088, Subdivision 1; and 116H.09, Subdivision 1; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.19, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 116H.19, Subdivision 1.

Referred to the Committee on Energy and Housing.

Mr. Dicklich introduced—

S.F. No. 1987: A bill for an act relating to taxation; requiring notification to school districts of certain property tax assessment challenge proceedings; au-

thorizing school districts to participate at certain hearings; amending Minnesota Statutes 1980, Sections 278.01; and 278.05, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Dicklich introduced—

S.F. No. 1988: A bill for an act relating to housing; directing the department of energy, planning and development to administer certain federal money; proposing new law coded in Minnesota Statutes, Chapter 362.

Referred to the Committee on Governmental Operations.

Mr. Taylor introduced—

S.F. No. 1989: A bill for an act relating to Blue Earth County; permitting county board members to serve on the county housing and redevelopment authority.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Solon introduced—

S.F. No. 1990: A bill for an act relating to agriculture; requiring state grain inspection and grading at terminal warehouses; amending Minnesota Statutes 1980, Section 17B.11.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Pehler, Penny and Willet introduced—

S.F. No. 1991: 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 1981 Supplement, Section 179.63, Subdivision 7.

Referred to the Committee on Public Employees and Pensions.

Messrs. Rued, Engler and Belanger introduced—

S.F. No. 1992: A bill for an act relating to crimes; prohibiting plea agreements when the offense is a crime against persons involving firearms or other dangerous weapons; proposing new law coded in Minnesota Statutes, Chapter 244.

Referred to the Committee on Judiciary.

Ms. Berglin, Messrs. Setzepfandt and Davies introduced—

S.F. No. 1993: A bill for an act relating to taxation; requiring registration of certain rental housing; limiting certain income tax deductions; amending Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended; proposing new law coded in Minnesota Statutes, Chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ulland introduced—

S.F. No. 1994: A bill for an act relating to unemployment compensation; permitting the use of contingent account moneys for investigatory purposes; regulating the collection of benefit overpayments; amending Minnesota Statutes 1980, Section 268.15, Subdivision 3; and 268.18, Subdivision 1.

Referred to the Committee on Employment.

Mr. Ulland introduced—

S.F. No. 1995: A bill for an act relating to human rights in education; establishing that ten percent or fewer minority group pupils in a school district is not an unfair discriminatory practice or segregation; amending Minnesota Statutes 1980, Section 363.02, Subdivision 3.

Referred to the Committee on Education.

Mr. Moe, R.D. introduced—

S.F. No. 1996: A bill for an act relating to Polk County; authorizing the county to establish subordinate service areas to provide and finance governmental services.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Hanson; Benson; Wegener; Peterson, C.C. and Setzepfandt introduced—

S.F. No. 1997: A bill for an act relating to retirement; volunteer ambulance services; authorizing the establishment of local volunteer ambulance attendants relief associations; authorizing the relief association to pay lump sum service pensions and other retirement benefits; establishing service pension maximums based on the ability to finance the service pension amount; establishing minimum financing guidelines; imposing an obligation to provide financing on the affiliated volunteer ambulance service; amending Minnesota Statutes 1980, Section 69.80; proposing new law coded as Minnesota Statutes, Chapter 424B.

Referred to the Committee on Public Employees and Pensions.

Mrs. Lanry and Mr. Vega introduced—

S.F. No. 1998: A bill for an act relating to retirement; public employees retirement association; authorizing the purchase of prior service credit for certain former elected officials.

Referred to the Committee on Public Employees and Pensions.

Mrs. Lanry introduced—

S.F. No. 1999: A bill for an act relating to crimes; prohibiting the sale or dissemination of obscene materials to minors; prohibiting false representation of age or parental status to procure obscene materials harmful to minors; prohibiting public display of obscene materials harmful to minors; prescribing

penalties; proposing new law coded in Minnesota Statutes, Chapter 260; repealing Minnesota Statutes 1980, Sections 617.291 to 617.297.

Referred to the Committee on Judiciary.

Messrs. Luther, Humphrey and Kroening introduced—

S.F. No. 2000: A bill for an act relating to the city of Brooklyn Center; authorizing the Brooklyn Center housing and redevelopment authority to carry out a housing interest buy-down program.

Referred to the Committee on Energy and Housing.

Messrs. Vega; Pehler; Peterson D.L.; Frederick and Merriam introduced—

S.F. No. 2001: A bill for an act relating to taxation; income; specifying the deduction for use of an automobile while making a charitable contribution; amending Minnesota Statutes 1981 Supplement, Section 290.21, Subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Davis; Peterson, R.W. and Pehler introduced—

S.F. No. 2002: A bill for an act relating to public improvements; providing for a therapeutic pool at the Cambridge state hospital; authorizing issuance of state bonds; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Davis, Pehler, Purfeerst, Wegener and Peterson, D.L. introduced—

S.F. No. 2003: A bill for an act relating to agriculture; providing for the prevention of economic waste in the marketing of certain agricultural crops produced in Minnesota by fixing a minimum price; providing for administration and enforcement; providing a penalty; proposing new law coded in Minnesota Statutes, Chapter 17.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Belanger; Lindgren; Peterson, D.L. and Bang introduced—

S.F. No. 2004: A bill for an act relating to education; authorizing school districts to transfer money from their capital expenditure fund to the general fund.

Referred to the Committee on Education.

Messrs. Peterson, C.C.; Merriam; Willet; Johnson and Setzepfandt introduced—

S.F. No. 2005: A bill for an act relating to natural resources; authorizing the acquisition of certain state water access sites.

Referred to the Committee on Agriculture and Natural Resources.



Ms. Berglin, Mr. Frank, Mrs. Kronebusch and Mr. Spear introduced—

S.F. No. 2006: A bill for an act relating to gambling; providing an exception for certain nonprofit organizations to the annual limitation on prizes awarded from the conduct of raffles; amending Minnesota Statutes 1980, Section 349.26, Subdivision 9, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 349.26, Subdivision 15.

Referred to the Committee on General Legislation and Administrative Rules.

Messrs. Wegener, Rued, Langseth and Chmielewski introduced—

S.F. No. 2007: A bill for an act relating to education; authorizing school districts to transfer money from the capital expenditure fund to the general fund.

Referred to the Committee on Education.

Mrs. Stokowski introduced—

S.F. No. 2008: A bill for an act relating to Special School District No. 1; prohibiting the district from implementing a plan for closing schools until the 1983-1984 school year; amending Laws 1959, Chapter 462, Section 3, as amended.

Referred to the Committee on Education.

Ms. Berglin and Mr. Pehler introduced—

S.F. No. 2009: A bill for an act relating to local government; permitting the establishment of special service districts; providing taxing and other financial authority; proposing new law coded as Minnesota Statutes, Chapter 429A.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Dicklich introduced—

S.F. No. 2010: A bill for an act relating to local government; permitting special charges for disposal of various classes of waste; proposing new law coded in Minnesota Statutes, Chapter 471.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Rued introduced—

S.F. No. 2011: A bill for an act relating to education; providing that persons whose employment is terminated by certain schools, institutions and educational agencies because of discontinuance of position, lack of students, financial limitations or merger shall not receive unemployment benefits if the person has been rehired by the terminating employer within 12 weeks after notice of termination; amending Minnesota Statutes 1980, Section 268.08, Subdivision 6.

Referred to the Committee on Employment.

Messrs. Keefe, Engler, Belanger and Rued introduced—

S.F. No. 2012: A bill for an act relating to corrections; authorizing the

earning of good time for voluntary participation in rehabilitation oriented programs; amending Minnesota Statutes 1980, Sections 244.02; and 244.04, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Keefe and Ramstad introduced—

S.F. No. 2013: A bill for an act relating to crimes; requiring restitution as a condition of probation for property offenses; proposing new law coded in Minnesota Statutes, Chapter 609.

Referred to the Committee on Judiciary.

Mr. Keefe introduced—

S.F. No. 2014: A bill for an act relating to controlled substances; defining "hashish"; adding new substances to the schedules of controlled substances; amending Minnesota Statutes 1980, Sections 152.01, Subdivision 16, and by adding a subdivision; 152.02, Subdivisions 2, 3, 4, and 5.

Referred to the Committee on Judiciary.

Mr. Keefe introduced—

S.F. No. 2015: A bill for an act relating to gambling; changing the penalty provision for violation of the offense of bookmaking; authorizing the forfeiture of gambling devices, prizes and proceeds; amending Minnesota Statutes 1981 Supplement, Section 609.76; proposing new law coded in Minnesota Statutes, Chapter 609.

Referred to the Committee on Judiciary.

Mr. Keefe introduced—

S.F. No. 2016: A bill for an act relating to crimes; providing for forfeiture of certain property; permitting an agency to retain forfeited property; conforming definitions with other statutes; amending Minnesota Statutes 1980, Section 152.19, Subdivisions 1, 2, 4, 5 and 8.

Referred to the Committee on Judiciary.

Mr. Keefe introduced—

S.F. No. 2017: A bill for an act relating to crimes; forfeitures of conveyances, containers, weapons used and contraband property; proposing new law coded in Minnesota Statutes, Chapter 609.

Referred to the Committee on Judiciary.

Messrs. Schmitz, Merriam and Peterson, R.W. introduced—

S.F. No. 2018: A bill for an act relating to natural resources; providing for the inventory, classification, and protection of aggregate deposits or resources within the state; proposing new law coded in Minnesota Statutes, Chapter 84.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Dicklich introduced—

S.F. No. 2019: A bill for an act relating to the city of Hibbing; fixing the amount of the mayor's contingent fund; amending Laws 1939, Chapter 329, Section 1.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Kamrath and Pillsbury introduced—

S.F. No. 2020: A bill for an act relating to state government; providing incentive bonuses for certain state employees; appropriating money.

Referred to the Committee on Public Employees and Pensions.

Messrs. Frederickson, Ashbach, Olhoft, Menning and Ramstad introduced—

S.F. No. 2021: A bill for an act relating to highway traffic regulations; requiring defendants to pay the cost of alcohol assessment reports; amending Minnesota Statutes 1980, Section 169.126, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Bertram introduced—

S.F. No. 2022: A bill for an act relating to agriculture; prohibiting waste disposal and processing sites on certain agricultural land; amending Minnesota Statutes 1980, Sections 115A.03, by adding a subdivision; 116.081, by adding a subdivision; 368.01, Subdivision 14; 412.221, Subdivision 22; Minnesota Statutes 1981 Supplement, Sections 115A.09, Subdivision 2; 115A.20; 473.153, Subdivision 2; 473.803, Subdivision 1a; proposing new law coded in Minnesota Statutes, Chapters 116C and 400.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Taylor, Mrs. Brataas, Messrs. Belanger and Ramstad introduced—

S.F. No. 2023: A bill for an act relating to unemployment compensation; redefining wages; providing for rate notices; regulating experience rating transfers; regulating eligibility for compensation; providing for determination of claims; providing for collection of contributions, reimbursements, and overpayments; providing penalties; amending Minnesota Statutes 1980, Sections 268.04, Subdivision 25; 268.06, Subdivisions 22, 25, and 28; 268.08, Subdivisions 1, 3, and 6; 268.09, Subdivisions 1, 2, and 3; 268.10, Subdivisions 1 and 2; 268.12, Subdivision 13; 268.16, Subdivisions 1 and 2; 268.18, Subdivisions 1, 2, 4, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapter 268; repealing Minnesota Statutes 1980, Section 268.16, Subdivision 3, as amended.

Referred to the Committee on Employment.

Messrs. Frederickson, Rued, Renneke and Mrs. Kronebusch introduced—

S.F. No. 2024: A bill for an act relating to economic development; removing the interest ceiling on municipal industrial development bonds; amending

Minnesota Statutes 1980, Section 474.06.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Knutson and Rued introduced—

S.F. No. 2025: A bill for an act relating to economic development; transferring the duties of the securities and real estate division under the municipal industrial development act to the department of energy, planning and development; appropriating money; amending Minnesota Statutes 1980, Section 474.01, Subdivisions 7a and 7b; Minnesota Statutes 1981 Supplement, Sections 474.01, Subdivision 7; and 474.03.

Referred to the Committee on Governmental Operations.

Messrs. Knutson, Rued and Renneke introduced—

S.F. No. 2026: A bill for an act relating to state government; authorizing the commissioner of the department of economic security to delegate certain powers; amending Minnesota Statutes 1980, Section 268.011, Subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Bang, Mrs. Kronebusch and Mr. Renneke introduced—

S.F. No. 2027: A bill for an act relating to taxation; providing for the collection of taxes; imposing penalties; amending Minnesota Statutes 1980, Sections 270.06; 270.07, Subdivision 1; 270.10, Subdivision 1; 270.70, Subdivisions 1, 2, 3, and 5, and by adding subdivisions; 290.45, Subdivision 2; 290.48, Subdivisions 3, 4, 6, and 8; 290.53, Subdivisions 2 and 5; 290.54; 290.92, Subdivision 23; 296.01, Subdivision 8; 296.14, Subdivision 1; 296.17, Subdivision 11; 297A.33, Subdivision 2; 297A.39, Subdivisions 2 and 5; 508.25; 559.21, by adding a subdivision; 580.15; Minnesota Statutes 1981 Supplement, Sections 270.063; 270.66; 270.75, by adding a subdivision; 290.92, Subdivisions 6 and 15; 296.12, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 270; repealing Minnesota Statutes 1980, Sections 290.48, Subdivisions 1 and 9; 290.51; 290.97; 297A.33, Subdivision 6; 297A.36; 297A.39, Subdivision 6; 297A.40, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 290.48, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bang, Mrs. Kronebusch and Mr. Renneke introduced—

S.F. No. 2028: A bill for an act relating to taxation; income tax; property tax refund; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; imposing penalties on a preparer for wilfully understating an income tax liability or wilfully overstating a property tax refund claim; proposing new law coded in Minnesota Statutes, Chapters 290 and 290A.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Peterson, D.L. and Renneke introduced—

S.F. No. 2029: A bill for an act relating to education; providing for the

deduction from foundation aid and from levy limitations the rentals and royalties paid to school districts because of permits or leases on lands or minerals and mineral rights held by the state in trust; amending Minnesota Statutes 1980, Section 93.335, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 124.2128, Subdivision 5; and 275.125, Subdivision 9.

Referred to the Committee on Education.

Messrs. Knutson, Rued, Frederickson, Renneke and Mrs. Kronebusch introduced—

S.F. No. 2030: A bill for an act relating to economic development; granting power to the department of energy, planning and development with respect to community development corporation grants; amending Minnesota Statutes 1980, Section 362.41, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Knutson, Lindgren, Rued, Frederickson and Peterson, D.L. introduced—

S.F. No. 2031: A bill for an act relating to economic development; authorizing the formation of a state development company for small business aid purposes; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 362.

Referred to the Committee on Governmental Operations.

Messrs. Ulland, Knutson, Frederickson, Renneke and Rued introduced—

S.F. No. 2032: A bill for an act relating to economic development; permitting the commissioner of energy, planning and development to assist local governments; amending Minnesota Statutes 1981 Supplement, Section 4.12, Subdivision 5.

Referred to the Committee on Energy and Housing.

Messrs. Stern, Tennessen and Ms. Berglin introduced—

S.F. No. 2033: A bill for an act relating to taxation; providing for homestead treatment of certain condominium leased land; clarifying use of additional sales ratio study information; amending Minnesota Statutes 1980, Sections 273.13, Subdivision 7c; and 278.05, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ashbach introduced—

S.F. No. 2034: A bill for an act relating to retirement; altering the period of prior service credit which may be purchased by certain employees or former employees of the department of employment services; amending Laws 1981, Chapter 297, Section 2, Subdivision 1.

Referred to the Committee on Public Employees and Pensions.

Messrs. Stern and Tennessen introduced—

S.F. No. 2035: A bill for an act relating to victim reparation for wrongful

death; a clarification of the time limitations for maintaining an action for death by intentional wrongful act where the act causing the death constitutes the crime of murder; amending Minnesota Statutes 1980, Section 573.02, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Sikorski, Knoll, Ashbach and Lindgren introduced—

S.F. No. 2036: A bill for an act relating to municipal industrial development; defining development projects; amending Minnesota Statutes 1980, Section 474.02, Subdivision 1b.

Referred to the Committee on Governmental Operations.

Messrs. Belanger, Lindgren and Chmielewski introduced—

S.F. No. 2037: A bill for an act relating to local government; providing for city facilities related to armories; authorizing issuance of bonds; proposing new law coded in Minnesota Statutes, Chapter 193.

Referred to the Committee on General Legislation and Administrative Rules.

Ms. Berglin introduced—

S.F. No. 2038: A bill for an act relating to public welfare; providing for classification, access, and destruction of certain child abuse report records; clarifying the classification of reports regarding vulnerable adults; amending Minnesota Statutes 1980, Sections 626.556, Subdivisions 3, 7, and by adding a subdivision; 626.557, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 626.556, Subdivision 11.

Referred to the Committee on Judiciary.

Messrs. Berg, Rued, Taylor, Benson and Lindgren introduced—

S.F. No. 2039: A bill for an act relating to state government; allowing for disclosures of information between the commissioner of revenue and the department of economic security; amending Minnesota Statutes 1980, Section 268.12, Subdivision 12; and Minnesota Statutes 1981 Supplement, Section 290.61.

Referred to the Committee on Judiciary.

Mr. Pehler introduced—

S.F. No. 2040: A bill for an act relating to education; authorizing Independent School District No. 47, Sauk Rapids, to receive replacement aid and to levy replacement amounts for certain school years.

Referred to the Committee on Education.

Messrs. Davis, Wegener, Frederickson and Bertram introduced—

S.F. No. 2041: A bill for an act relating to education; authorizing school

districts to charge fees for secondary school programs and activities that do not have credit toward graduation; authorizing school districts to levy up to three mills for secondary school programs and activities that do not have credit toward graduation; requiring a public hearing prior to a proposed levy; requiring the district to present a fee schedule and program and activity costs at a public hearing; requiring a reverse referendum on a proposed levy; amending Minnesota Statutes 1980, Sections 120.73, Subdivision 1; and 275.125, by adding a subdivision.

Referred to the Committee on Education.

Mrs. Lantry introduced—

S.F. No. 2042: A bill for an act relating to Ramsey County; permitting the county to establish a small business set-aside program.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Knutson and Lindgren introduced—

S.F. No. 2043: A bill for an act relating to health insurance; providing for a statewide catastrophic health expense protection plan; providing for an increase in the income tax liability of taxpayers by the amount of the yearly premium; prescribing powers and duties; creating a certain account in the state treasury; appropriating money; proposing new law coded in Minnesota Statutes, Chapters 62E and 290; repealing Minnesota Statutes 1980, Sections 62E.51 to 62E.55.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Lindgren introduced—

S.F. No. 2044: A bill for an act relating to public welfare; modifying certain provisions relating to medical assistance; providing for a case management system and competitive bidding procedures; allowing a cause of action against responsible relatives; providing for payments to health maintenance organizations; allowing certain claims against the homesteads of recipients; altering eligibility standards related to income and liquid assets; amending Minnesota Statutes 1980, Sections 256B.01; 256B.04, by adding a subdivision; 256B.05, Subdivision 2; 256B.06, Subdivision 3; 256B.14; 256B.19, Subdivision 1; 256B.27, Subdivision 3; 510.05; 524.3-805; 525.16; Minnesota Statutes 1981 Supplement, Sections 256.966; 256B.06, Subdivision 1, as amended; 256B.15; and 525.145.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Schmitz introduced—

S.F. No. 2045: A bill for an act relating to commerce; uniform commercial code; extending the time period for the perfection of or priority over certain security interests; amending Minnesota Statutes 1980, Sections 336.9-301; 336.9-306; and 336.9-312.

Referred to the Committee on Judiciary.

Mr. Belanger introduced—

S.F. No. 2046: A bill for an act relating to local government; permitting the

city of Bloomington to acquire court facilities; authorizing the issuance of bonds for them subject to referendum; allowing for long-term lease arrangements with Hennepin county.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Wegener introduced—

S.F. No. 2047: 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; 62E.531, Subdivision 2; 62E.54, by adding a subdivision; and 256.98; proposing new law coded in Minnesota Statutes, Chapter 62E.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Johnson introduced—

S.F. No. 2048: A bill for an act relating to state parks; restating the boundaries of Tower Soudan state park; authorizing conveyance of certain park lands.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Pillsbury introduced—

S.F. No. 2049: A bill for an act relating to economic development; granting a state tax credit to certain business firms which contribute to neighborhood organizations or engage in activities which tend to upgrade impoverished areas of the state; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 362.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin and Mr. Davies introduced—

S.F. No. 2050: A bill for an act relating to victims of sexual assault; classifying certain data; specifying the competency of witnesses; amending Minnesota Statutes 1981 Supplement, Section 595.02; proposing new law coded in Minnesota Statutes, Chapter 15.

Referred to the Committee on Judiciary.

Mr. Wegener introduced—

S.F. No. 2051: A bill for an act relating to rural development; changing the purposes of rural development financing authorities; amending Minnesota Statutes 1980, Section 362A.01, Subdivision 2.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Wegener introduced—

S.F. No. 2052: A bill for an act relating to taxation; providing for reimbursement to local units of government for certain tax-exempt lands; appro-



prising money; amending Minnesota Statutes 1980, Sections 477A.11, by adding a subdivision; 477A.12; and 477A.14.

Referred to the Committee on Taxes and Tax Laws.

Mr. Taylor introduced—

S.F. No. 2053: A bill for an act relating to education; authorizing the state university board to lease land on Mankato state university campus; permitting Mankato state university to lease a building; transferring title for a building to the state; proposing new law coded in Minnesota Statutes, Chapter 136.

Referred to the Committee on Education.

Messrs. Sikorski, Moe, R.D. and Solon introduced—

S.F. No. 2054: A bill for an act relating to the department of economic security; regulating community action programs and agencies; amending Minnesota Statutes 1981 Supplement, Sections 268.52, Subdivisions 1, 2, and 4; 268.53, Subdivisions 1, 2, and by adding subdivisions; 268.54, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Merriam and Penny introduced—

S.F. No. 2055: A bill for an act relating to resource recovery; permitting the use of waste oil heaters in commercial and industrial buildings; proposing new law coded in Minnesota Statutes, Chapter 299F.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Schmitz introduced—

S.F. No. 2056: A bill for an act relating to taxation; abolishing the gravel removal production tax; repealing Minnesota Statutes 1980, Section 298.75, as amended; Minnesota Statutes 1981 Supplement, Section 298.76.

Referred to the Committee on Taxes and Tax Laws.

Mr. Lessard introduced—

S.F. No. 2057: A bill for an act relating to intoxicating liquor; authorizing the city of International Falls to issue one short term on-sale liquor license.

Referred to the Committee on Commerce.

Mr. Waldorf introduced—

S.F. No. 2058: A bill for an act relating to the environment; requiring testing of certain pipelines for integrity; providing civil penalties; proposing new law coded in Minnesota Statutes, Chapter 116.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Bang, Stern and Belanger introduced—

S.F. No. 2059: A bill for an act relating to housing; prohibiting certain rent

control ordinances in cities, counties, and towns; proposing new law coded in Minnesota Statutes, Chapter 471.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Johnson introduced—

S.F. No. 2060: A bill for an act relating to retirement; authorizing increases in benefits payable by the Eveleth police and fire trust fund.

Referred to the Committee on Public Employees and Pensions.

Messrs. Luther and Stumpf introduced—

S.F. No. 2061: A bill for an act relating to elections; fixing expenditure limits for campaigns for certain offices; amending Minnesota Statutes 1980, Section 210A.22.

Referred to the Committee on Elections and Reapportionment.

Messrs. Pehler and Davis introduced—

S.F. No. 2062: A bill for an act relating to courts; providing for the appointment of a court commissioner to solemnize marriages in the combined county court district of Benton and Stearns.

Referred to the Committee on Judiciary.

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

### MOTIONS AND RESOLUTIONS

Mr. Kroening moved that S.F. No. 1969 be withdrawn from the Committee on Employment and re-referred to the Committee on Public Employees and Pensions. The motion prevailed.

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:45 a.m., Wednesday, February 17, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SEVENTY-SECOND DAY

St. Paul, Minnesota, Wednesday, February 17, 1982

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

### CALL OF THE SENATE

Mr. Hughes 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	Solon
Belanger	Dieterich	Kronebusch	Penny	Spear
Benson	Engler	Lantry	Peterson, C.C.	Stern
Berg	Frank	Lessard	Peterson, D.L.	Stokowski
Berglin	Frederick	Lindgren	Peterson, R.W.	Stumpf
Bernhagen	Frederickson	Luther	Pillsbury	Taylor
Bertram	Hanson	Menning	Renneke	Tennessen
Brataas	Hughes	Merriam	Rued	Ulland
Chmielewski	Johnson	Moe, D.M.	Schmitz	Vega
Dahl	Kamrath	Moe, R.D.	Setzepfandt	Waldorf
Davies	Keefe	Nelson	Sieloff	Wegener
Davis	Knoll	Olhoft	Sikorski	Willet

The President declared a quorum present.

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

### MEMBERS EXCUSED

Messrs. Humphrey, Knutson and Petty were excused from the Session of today.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

January 18, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

Transmitted to you herewith please find the list of Notaries Public appointed during 1981.

This list is transmitted to you for the purpose of obtaining Senate confirmation pursuant to the requirements of Article V, Section 3 of the Constitution of the State of Minnesota.

Sincerely,

Albert H. Quie, Governor

Mr. Hanson moved that the appointments of Notaries Public be laid on the table. The motion prevailed.

February 12, 1982

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 1982 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 1982	Date Filed 1982
	583	373	February 12	February 12
	1552	374	February 12	February 12

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. 1151 and 1408.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 15, 1982

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1699, 1710, 1603 and 1732.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 15, 1982

### FIRST READING OF HOUSE BILLS

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

H.F. No. 1699: A bill for an act relating to education; requiring all public elementary and secondary schools to provide instructional programs in chemi-

cal abuse; amending Minnesota Statutes 1980, Section 126.03; and proposing new law coded in Chapter 126.

Referred to the Committee on Education.

H.F. No. 1710: A bill for an act relating to commerce; petroleum products; providing specifications for fuel oil sold as kerosene; amending Minnesota Statutes 1980, Section 296.05, Subdivision 2, and by adding a subdivision.

Referred to the Committee on Commerce.

H.F. No. 1603: A bill for an act relating to education; requiring the board of teaching and the state board of education to accept completion of certain training programs in lieu of the human relations components required for licensure; amending Minnesota Statutes 1980, Section 125.05, by adding a subdivision.

Referred to the Committee on Education.

H.F. No. 1732: A bill for an act relating to boxing; establishing certain conditions for participation in professional matches; proposing new law coded in Minnesota Statutes, Chapter 341.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1703, now on General Orders.

## REPORTS OF COMMITTEES

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1673: A bill for an act relating to health; requiring reports of cases of Reyes syndrome; proposing new law coded in Minnesota Statutes, Chapter 144.

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

Page 1, line 10, delete "*department*" and insert "*commissioner*"

Page 1, after line 19, insert:

"Sec. 2. [REPEALER.]

*Section 1 is repealed when the commissioner of health includes Reyes syndrome as a reportable disease in rules, or effective January 1, 1984, whichever occurs first.*"

Re-number the sections in sequence

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1650: A bill for an act relating to public welfare; establishing foster

care maintenance payments by the state; establishing a state goal for the reduction of the number of children in residential facilities for more than 24 months; requiring the commissioner of public welfare to comply with the requirements of Title IV-E of the federal Social Security Act in order to obtain adoption assistance funds for eligible children; expanding the eligibility for medical assistance to include children receiving foster care maintenance payments under Title IV-E of the federal Social Security Act; amending Minnesota Statutes 1980, Sections 256.82; 257.071, by adding a subdivision; and 259.40, Subdivisions 2, 3, and 10; Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1.

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

Page 2, line 5, after "I" insert a comma

Page 2, line 7, after "Act" insert ", 42 U.S.C. Sections 670 to 676"

Page 2, delete lines 20 to 26 and insert:

*"Subd. 5. [RULES; CHILDREN IN RESIDENTIAL FACILITIES.] The commissioner of public welfare shall promulgate all rules necessary to carry out the provisions of Public Law 96-272 as regards the establishment of a state goal for the reduction of the number of children in residential facilities beyond 24 months."*

Page 3, line 27, after the comma insert "42 U.S.C. Sections 670 to 676,"

Pages 4, 5, and 6, delete section 6 and insert:

"Sec. 6. Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article 1, Section 32, and Laws 1981, Third Special Session Chapter 3, Section 17, is amended to read:

Subdivision 1. Medical assistance may be paid for any person:

(1) Who is a child eligible for or receiving adoption assistance payments under Title IV-E of the Social Security Act, 42 U.S.C. Sections 670 to 676; or

(2) Who is a child eligible for or receiving foster care maintenance payments under Title IV-E of the Social Security Act, 42 U.S.C. Sections 670 to 676; or

(3) Who is eligible for or receiving public assistance, or a woman who is pregnant, as medically verified, and who would be eligible for assistance under the aid to families with dependent children program if the child had been born and living with the woman; or

(4) Who is eligible for or receiving supplemental security income for the aged, blind and disabled; or

(5) 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

(6) Who is under 21 years of age and in need of medical care that neither he nor his relatives responsible under sections 256B.01 to 256B.26 are financially able to provide; or

(7) 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) (8) 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) (9) 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 80 contiguous acres in unplatted land. Occupancy or exemption shall be determined as provided in chapter 510 and applicable law, including continuing exemption by filing notice under section 510.07. 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) (10) 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. The value of the following shall not be included:

(a) the homestead, and (b) one motor vehicle licensed pursuant to chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, subdivision 1e; and

(9) (11) 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) (12) 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

(H) (13) 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."

Page 6, after line 34, insert:

"Sec. 7. [PROGRAM CONTINUATION.]

*The commissioner shall continue to consider applications for payments through the state program established by section 259.40 for any child who is not eligible for adoption assistance under Title IV-E of the Social Security Act, 42 U.S.C. Sections 670 to 676, but who is eligible under the provisions of Laws 1979, Chapter 256, Section 1.*"

Page 6, line 36, delete "This act is" and insert "Sections 1 to 7 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "establishing" and insert "requiring the commissioner of public welfare to promulgate rules which establish"

Page 1, line 11, after "payments" insert "or adoption assistance"

Page 1, line 12, after "Act" insert "requiring continuation of the state subsidized adoption program"

Page 1, line 16, before the period, insert "as amended"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1702: A bill for an act relating to corrections; authorizing the appointment of internal security investigators for adult correctional facilities in the unclassified civil service; clarifying the "good time" and solitary confinement provisions relating to county jails; amending Minnesota Statutes 1980, Sections 241.01, Subdivision 3a; 641.09; and 643.29, Subdivision 1.

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



adopted.

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

S.F. No. 1641: A bill for an act relating to family law; defining the status of marital property and providing for its division in dissolution and annulment actions; amending Minnesota Statutes 1980, Section 518.54, Subdivision 5; and Minnesota Statutes 1981 Supplement, Section 518.58.

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

Page 1, line 24; delete "has" and insert "shall be deemed to have"

Page 2, line 32, strike "and"

Page 2, line 33, strike "the amount of support,"

Page 2, line 34, strike "maintenance"

Page 2, line 34, strike ", whether the property award"

Page 2, line 35, strike everything before the period.

Page 3, line 3; after "be" insert "conclusively"

Page 3, after line 31, insert:

"Sec. 3. [EFFECTIVE DATE.]

*This act is effective the day following final enactment. The intent of the legislature in enacting this act is to confirm, clarify, and ratify legislative intent embodied in prior and existing state law, and state law as amended by this act, that the division or disposition of marital property caused by or incident to a decree of dissolution or annulment is not a sale, exchange, transfer, or disposition of or dealing in property but is a division of a common ownership by spouses in property for the purposes of the property laws of this state and for the purposes of United States and Minnesota income tax laws."*

Amend the title as follows:

Page 1, line 2, delete "the status of marital" and insert "a species of marital co-ownership of"

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

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

S.F. No. 1670: A bill for an act relating to guardianship and conservatorship; providing for delegation of certain powers by parents or guardians; applying the rules of evidence to certain proceedings; requiring appointment of conservators in certain cases; providing a procedure for discharge of guardians or conservators in certain cases; clarifying certain provisions; amending Minnesota Statutes 1980, Section 525.6165; Minnesota Statutes 1981 Supplement, Sections 525.55, Subdivision 1; 525.551, Subdivision 3; 525.5515; 525.619; and 525.6196; proposing new law coded in Minnesota Statutes, Chapters 524 and 525.

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

Page 1, line 29, strike "thereof" and insert "*of the hearing*"

Page 2, line 8, after "shall" insert "*also*"

Page 2, line 12, strike "such" and insert "*those*"

Page 2, after line 12, insert:

"Sec. 3. Minnesota Statutes 1981 Supplement, Section 525.55, Subdivision 3, is amended to read:

Subd. 3. [DEFECTIVE NOTICE OR SERVICE.] A defect in the service of notice or process, *other than personal service upon the proposed ward or conservatee within the time allowed and the form prescribed in subdivisions 1 and 2*, shall not invalidate any guardianship or conservatorship proceedings."

Pages 2 and 3, delete section 4 and insert:

"Sec. 5. Minnesota Statutes 1981 Supplement, Section 525.5515, Subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF LETTERS.] Letters of guardianship or conservatorship shall *issue to the guardian or conservator. They shall contain: (a) the name, address and telephone number of the guardian or conservator; (b) the name, address and telephone number of the ward or conservatee; (c) whether it is of the estate or of the person or both; and (d) the legal limitations, if any, imposed by the court on the guardian or conservator.*"

Page 3, lines 11 and 12, delete the new language

Pages 3 to 5, delete section 6 and insert:

"Sec. 7. Minnesota Statutes 1980, Section 525.618, is amended by adding a subdivision to read:

Subd. 5. [COPY OF ORDER TO WARD OR CONSERVATEE.] *A copy of an order appointing a guardian or conservator of a minor shall be served by mail upon the ward or conservatee and his counsel, if he was represented at the hearing. The order shall be accompanied by a notice which advises the ward or conservatee of his right to appeal the guardianship or conservatorship appointment within 30 days.*

Sec. 8. Minnesota Statutes 1980, Section 525.618, is amended by adding a subdivision to read:

Subd. 6. [CONTENTS OF LETTERS.] *Letters of guardianship or conservatorship shall issue to the guardian or conservator. They shall contain: (a) the name, address, and telephone number of the guardian or conservator; (b) the name, address, and telephone number of the ward or conservatee; (c) whether it is a guardianship or conservatorship or both; and (d) the legal limitations, if any, imposed by the court on the guardian or conservator.*"

Page 5, line 19, after "under" insert "*clause*"

Page 5, line 25, strike the first "and" and insert a period

Page 5, line 29, strike "thereof" and insert "*of it*"

Page 6, line 9, delete ", and" and insert a period

Page 6, line 13, after "name" insert a period

Page 6, line 13, delete the first "to" and insert "shall"

Page 6, line 13, after "and" delete "to be"

Page 6, after line 15, insert:

"Sec. 11. [REPEALER.]

*Minnesota Statutes 1981 Supplement, Section 525.5515, Subdivision 3, is repealed."*

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "requiring appointment of"

Page 1, line 6, delete "conservators in certain cases" and insert "providing administrative procedures for the appointment of guardians or conservators for minors"

Page 1, line 9, delete "Section" and insert "Sections" and after the semi-colon insert "and 525.618, by adding subdivisions;"

Page 1, line 10, delete "Subdivision" and insert "Subdivisions"

Page 1, line 11, after "1" insert "and 3"

Page 1, line 11, delete "525.619" and insert "Subdivision 2"

Page 1, line 13, before the period, insert "repealing Minnesota Statutes 1981 Supplement, Section 525.5515, Subdivision 3"

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

Mr. Knoll from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1588: A bill for an act relating to state and local government organization and relations; creating an advisory council on local government; prescribing its duties; proposing new law coded as Minnesota Statutes, Chapter 15B.

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

Page 3, line 9, delete "the chairman" and insert "a member"

Page 3, line 10, delete everything after "473.123" and before the period

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

Mr. Knoll from the Committee on Governmental Operations, to which was re-referred

S.F. No. 276: A bill for an act relating to health; establishing an advisory task force on the use of state facilities in lieu of reimbursing private facilities for some purposes; appropriating money.

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

Page 1, line 12; delete "*chairman of the*"

Page 1, line 23, delete "*All these*" and insert "*Public*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Olhoft from the Committee on General Legislation and Administrative Rules, to which was referred

H.F. No. 1120: A bill for an act relating to public safety; authorizing the sale to and use by engineers of fireworks; amending Minnesota Statutes 1980, Section 624.21.

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

Page 1, line 16, after "*testing*" insert a semicolon

Page 1, line 18, after "*state*" strike the comma and insert a semicolon

Page 1, line 19; strike "*to prohibit*"

Page 1, line 19, after the second "*or*" insert "*sales*"

Page 1, line 20, after "*engineers*" insert "*for accoustical testing purposes only*"

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

Mr. Olhoft from the Committee on General Legislation and Administrative Rules, to which was referred

S.F. No. 1695: A bill for an act relating to historic sites; adding the Consumers Pure Ice and Storage Company Building in St. Cloud to the registry of state historic sites; amending Minnesota Statutes 1980, Section 138.58, by adding a subdivision.

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

Mr. Olhoft from the Committee on General Legislation and Administrative Rules, to which was re-referred

S.F. No. 1679: A bill for an act relating to the military; providing for the administration of oaths and acknowledgments by a member of the armed forces of the United States; amending Minnesota Statutes 1980, Sections 192.205, by adding a subdivision; and 358.32.

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

Mr. Olhoft from the Committee on General Legislation and Administrative Rules, to which was referred

S.F. No. 1692: A bill for an act relating to the military; prohibiting entry to Camp Ripley without authorization of the adjutant general; imposing a penalty; amending Minnesota Statutes 1980, Sections 609.60 and 609.605.

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

Mr. Olhoft from the Committee on General Legislation and Administrative Rules, to which was referred

S.F. No. 1733: A bill for an act relating to the military; increasing the minimum pay for enlisted personnel called into active service; amending Minnesota Statutes 1980, Section 192.51, Subdivision 2.

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1530: A bill for an act relating to St. Louis county; providing for the calculation of vacation and sick leave allowances of certain employees.

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

Page 1, delete lines 16, 17 and 18, and insert:

*"Section 1 is effective on the day of compliance with Minnesota Statutes, Section 645.021, Subdivision 3."*

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 63: A bill for an act relating to retirement; specifying eligibility for early retirement health and welfare insurance coverage for certain employees of the city of St. Paul.

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1727: A bill for an act relating to retirement; second class city police relief associations; eliminating a dollar amount limitation on the payment of salaries to relief association officers; amending Minnesota Statutes 1981 Supplement, Section 423.808.

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

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

S.F. No. 1671: A bill for an act relating to environment; abolishing the water planning board; transferring certain duties of the water planning board to the environmental quality board and the department of energy, planning and development; providing for board membership and staff; providing for the appointment of a chairman; amending Minnesota Statutes 1980, Sections 116C.03, Subdivision 2a, and by adding subdivisions; 116C.04, by adding a subdivision; 362.12, by adding a subdivision; Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Sections 105.401; 116C.04, Subdivisions 8 and 9; 116C.05; 116C.07;

and Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivision 3.

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

Page 1, lines 25 and 26, delete the new language

Page 2, line 10, delete "membership" and insert "public members"

Page 2, line 16, delete the first "shall" and insert "may"

Page 2, line 18, after "work" delete the comma

Pages 2 and 3, delete sections 7, 8 and 9

Page 3, line 35, delete "105.401;"

Page 4, after line 1, insert:

"Sec. 8. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "abolishing the water planning"

Page 1, delete lines 2 to 6

Page 1, line 7, delete everything before "amending" and insert "providing for the chairmanship, staff, and administration of the environmental quality board;"

Page 1, line 8, delete "Sections" and insert "Section"

Page 1, line 9, delete "116C.04, by adding a"

Page 1, line 10, delete everything before "Minnesota"

Page 1, line 13, delete "105.401;"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

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

S.F. No. 1288: A bill for an act relating to agriculture; creating a family farm finance agency; authorizing the agency to issue debt obligations and to make loans for the acquisition of farm land; transferring the family farm security program to the agency; appropriating money; amending Minnesota Statutes 1980, Sections 41.51; 41.52, Subdivisions 1, 5, 8, 9 and 10, and by adding subdivisions; 41.54, Subdivision 4; 41.55; 41.56; 41.57; 41.58; 41.59, Subdivisions 1 and 2; and 41.60; proposing new law coded in Minnesota Statutes, Chapter 41; repealing Minnesota Statutes 1980, Section 41.53.

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

Page 2, delete section 5 and insert:

"Sec. 5. Minnesota Statutes 1981 Supplement, Section 41.52, Subdivision

5, is amended to read:

Subd. 5. "~~Family farm security loan~~"; ~~except in the case of a seller sponsored loan, means a loan secured by a first real estate mortgage. In the case of a seller sponsored loan, it means a loan secured either by a real estate mortgage evidenced by one or more notes or secured by a contract for deed. It shall be used for acquisition of farm land and shall be approved by the commissioner. This loan shall be guaranteed and may qualify for a payment adjustment as defined in subdivision 10 and may be a seller-sponsored loan as defined in subdivision 8 means a loan for the acquisition of farm land.~~"

Page 3, line 2, delete "*plan*" and insert "*loan*"

Page 3, line 4, delete "*11*" and insert "*15*"

Page 3, line 7, delete "*11*" and insert "*15*"

Page 3, delete sections 7 and 8 and insert:

"Sec. 7. Minnesota Statutes 1981 Supplement, Section 41.52, Subdivision 8, is amended to read:

Subd. 8. "Seller-sponsored loan" means a loan in which part or all of the purchase price of the farm is financed by a loan from the seller of the property who is a natural person, a partnership or a family farm corporation as defined in section 500.24, and the remainder of the loan, if any, is supplied by a lender as defined in subdivision 7 ~~or other person~~, *by another person, or by the agency.* This loan shall be secured by a real estate mortgage evidenced by one or more notes that may carry different interest rates, or by a contract for deed.

Sec. 8. Minnesota Statutes 1981 Supplement, Section 41.52, Subdivision 9, is amended to read:

Subd. 9. "~~Family farm State loan guarantee~~" means an agreement that in the event of default the ~~state of Minnesota shall~~ *agency will* pay the lender 90 percent of the sums due and payable under the ~~first~~ a real estate mortgage; ~~or, in the case of a seller sponsored loan, 90 percent of the sums due and payable under the note and mortgage held by a lender to secure a family farm loan or contract for deed.~~"

Page 3, line 36, delete "*consisting of the*"

Page 4, delete lines 1 and 2 and insert "*as provided in section 41.54.*"

Page 4, delete lines 3 to 9 and insert "*The board is*"

Re-number the subdivisions in sequence

Page 4, after line 27, insert:

"Sec. 11. Minnesota Statutes 1980, Section 41.54, Subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] ~~There is established a~~ *The board of the family farm advisory council composed of seven finance agency shall consist of eight members. The commissioner of agriculture shall be the chairman of the board. The remaining members shall be appointed by the commissioner of agriculture as follows* ~~governor with the advice and consent of the senate and shall meet the following qualifications:~~

(a) ~~Two shall be officers from~~ *of* a commercial lending institution;

- (b) One shall be a dairy farmer;
- (c) One shall be a livestock farmer;
- (d) One shall be a cash grain farmer;
- (e) One shall be an officer from a farm credit association;
- (f) One shall be an agricultural economist.

Sec. 12. Minnesota Statutes 1981 Supplement, Section 41.54, Subdivision 2, is amended to read:

Subd. 2. [TERMS AND COMPENSATION.] *Except for the chairman of the board, the compensation and removal of board members of the council and appointments to fill vacancies on the board shall be governed by section ~~15.059~~ 15.0575. The council shall meet monthly or more often as needed.*

The terms of the members serving on January 15, 1981, shall end on the first Monday in April in the year indicated as follows:

- (a) The dairy farmer and one officer from a commercial lending institution, 1982;
- (b) The cash grain farmer and the officer from a farm credit association, 1983;
- (c) The livestock farmer and one officer from a commercial lending institution, 1984; and
- (d) The agricultural economist, 1985.

After a term expires as provided in clauses (a) to (d), all successors shall be appointed for four year terms. The terms of the present officers from a commercial lending institution shall be decided by lot subject to clauses (a) and (c).

Sec. 13. Minnesota Statutes 1980, Section 41.54, Subdivision 4, is amended to read:

Subd. 4. [ADDITIONAL DUTIES.] ~~The duties of the council shall be as follows~~ *In addition to its other powers and duties under chapter 41, the board shall:*

- (a) ~~To~~ *Periodically* review and appraise the ~~family farm security program programs of the agency;~~
- (b) ~~To give advice and counsel to the commissioner regarding the family farm security program;~~
- (c) ~~To~~ *Review* (b) *Approve or disapprove* all applications for family farm security loans which may be made, purchased or participated in by the agency or for which a state loan guarantee may be made and make recommendations to the commissioner as to their disposition; and
- (d) ~~To~~ (c) *Make* recommendations to the commissioner of agriculture, legislature and the public on or before December 31 of each year regarding any needed state policy or program changes to foster and promote the economic health and viability of the family farm.

Sec. 14. Minnesota Statutes 1980, Section 41.54, is amended by adding a subdivision to read:



*Subd. 6. [COUNCIL MEMBERS TO BECOME BOARD MEMBERS; VACANCIES.] Notwithstanding any other law, the members of the advisory council serving on the effective date of this section shall be the members of the board of the agency for the terms as provided in this section. When any of those members cease to serve as members of the board for any reason, the vacancy shall be filled by appointment of a new member by the governor with the advice and consent of the senate as provided in subdivision 1."*

Page 4, line 28, delete "[41.522]" and insert "[41.541]"

Page 5, line 21, delete "first" and insert "real estate"

Page 5, after line 22, insert:

*"Subd. 6. [LOANS BY FEDERAL LAND BANK; STATE PARTICIPATION AND GUARANTEE.] The agency may participate in or provide a state loan guarantee for a family farm loan made by the federal land bank. The state share of any loan and any state loan guarantee under this subdivision may be secured by a mortgage lien subordinate to the lien of the federal land bank. The agency may not act under this subdivision until it has entered an agreement with the federal land bank which identifies the type of family farm loans in which the agency will participate or which it will guarantee; and specifies the duties and obligations of the agency and the federal land bank with regard to family farm loans in which the agency participates or which it guarantees. The agreement shall be consistent as far as practicable with the eligibility criteria provided in section 41.55, subdivision 1, and with the intent and purposes of chapter 41. The agreement shall provide that the state will share in any losses or gains realized by the federal land bank from loans in which the agency participates or which it guarantees."*

Page 6, line 5, before "which" insert "in which the state participates or"

Renumber the subdivisions in sequence

Page 7, line 6, delete "[41.523]" and insert "[41.542]"

Page 7, line 8; delete "11" and insert "15"

Page 7, line 14, delete ", amend and repeal"

Page 7, line 16, after the period insert "The rules are subject to the provisions of the administrative procedure act, sections 15.041 to 15.052."

Page 7, line 26, delete "and may sell, transfer" and insert a period

Page 7, delete lines 27 to 34

Page 8, line 17, before the period insert "during the preceding fiscal year"

Page 8, line 18, delete "[41.524]" and insert "[41.543]"

Page 8, line 30; delete "\$....." and insert "\$20,000,000"

Page 11, line 8, delete "[41.525]" and insert "[41.544]"

Page 11, line 8, delete "FUND" and insert "FUNDS"

Page 11, line 9, delete "a"

Page 11, line 10, delete "fund" and insert "funds" in both places

Page 11, line 10, delete "a"

Page 12, line 31, delete "[41.526]" and insert "[41.545]"

Page 12, line 35, delete "security"

Page 13, line 2, delete "[41.527]" and insert "[41.546]"

Page 13, delete section 17

Page 14, line 32, delete "3" and insert "5"

Page 15, line 6, delete "by one or more appraisals satisfactory"

Page 15, line 7, delete "to" and insert "according to the rules of"

Page 15, line 27, delete "audited"

Page 16, line 7, after "purchased" and insert "or assignment of the contract for deed"

Page 16, line 24, delete "return the"

Page 16, line 25, delete "application to" and insert "provide"

Page 16, line 33, delete "and income"

Page 16, line 34, delete "potential"

Page 16, line 35, before "state" insert "family farm first mortgage or down payment loan, a"

Page 16, line 35, after "or" insert "an"

Page 16, line 36, after "loan" insert "and a procedure to determine the income potential of any property before making or purchasing a family farm first mortgage loan"

Pages 17 to 20, delete section 19 and insert:

"Sec. 22. Minnesota Statutes 1981 Supplement, 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 which the agency has made, purchased, or guaranteed with a state loan guarantee, the lender or agency 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 applicant must make arrangements to meet his obligation within 180 days of the initial default and stating the consequences of failing to do so.~~ ~~The A lender and the~~ an applicant may agree to take any steps reasonable to assure the fulfillment of the loan obligation.

After 180 days from the initial default on a state guaranteed loan, if the applicant has not made arrangements to meet his obligation, the lender shall file a claim with the ~~commissioner~~ agency, identifying the loan and the nature of the default, and assigning to the ~~state~~ agency all of the lender's security and interest in the loan in exchange for payment according to the terms of the ~~family farm security state~~ loan guarantee. In the case of a seller-sponsored loan, the seller may elect to pay the ~~commissioner~~ agency all sums owed the ~~commissioner~~ agency by the applicant and retain title to the property in lieu of payment by the ~~commissioner~~ agency under the terms of the loan guarantee. If the ~~commissioner~~ agency determines that the terms of the ~~family farm security~~

state loan guarantee have been met, ~~he~~ it shall authorize payment of state funds to the lender, and shall notify the defaulting party. The state of Minnesota agency shall then succeed to the interest of the mortgagee or the vendor of the contract for deed. Taxes shall be levied and paid on the land as though the owner were a natural person and not a political subdivision of the state. ~~The commissioner may, on behalf of the state, After 180 days from the initial default of a loan which the agency has made or purchased, or when the agency has succeeded to the interest of a mortgagee or a vendor as provided in this subdivision, the agency may commence foreclosure or termination proceedings in the manner provided by law.~~

Sec. 23. Minnesota Statutes 1981 Supplement, Section 41.56, Subdivision 4, is amended to read:

Subd. 4. [SALE OF DEFAULTED PROPERTY.] In the event that title to the any property is acquired by the state agency, upon conveyance of title to the state agency and expiration of the period of redemption, ~~the commissioner shall, within 15 days of the expiration of such period, the period of redemption, the agency shall undertake to sell the property by publishing a notice of the impending sale at least once each week for four successive weeks in a legal newspaper and also in a newspaper of general distribution in the county in which the property to be sold is situated. Such The notice shall specify the time and place in the county at which the sale will commence, a description of describe the lots or tracts to be offered, and a general statement of state the terms of the sale. Except as further provided in this subdivision, the terms and method of sale shall be determined by the commissioner.~~

*The agency shall first endeavor to sell the property to a person who is eligible for a family farm loan which is made, purchased, participated in, or guaranteed by the agency. If the agency is unable to effect a sale to an eligible person, it shall endeavor to sell the property for cash as provided in subdivision 4a. If the agency is unable to effect a sale to an eligible person or for cash as provided in subdivision 4a, or if the agency finds that sale to an eligible person or for cash would not best protect the interests of the state, the agency shall sell the property on the terms which the agency finds will best protect the interests of the state. The agency may lease any real property which it is unable to sell with reasonable promptness. In any event the agency shall sell any real property which it acquires within two years after the conveyance of title to the state or after the expiration of the period of redemption.*

Subd. 4a. [SALE FOR CASH.] *When the agency sells any real property for cash it shall follow the procedures provided in this subdivision. If the sale will be completed more than 15 days after the last published notice of sale as provided in subdivision 4, the agency shall publish another notice as provided in that subdivision. The commissioner agency shall sell the property to the highest bidder as determined by taking sealed bids or by bids at public auction, provided that in either event he . The agency may refuse to accept any or all bids. If it accepts a bid, it shall select the successful bidder do so within 15 days of the date of the last published notice of sale. Bidders shall submit bid security in the form of a certified check or bid bond in the amount of two percent of their bid price and the successful bidder shall remit the balance of the purchase price to the commissioner agency within 90 days of the date of sale. Upon remittance of such the balance within 90 days of the date of sale, the commissioner agency shall transfer title to the property, including any acquired mineral rights, to the purchaser by quitclaim deed. In the event that the purchaser fails to remit any part of such balance within 90 days of the date of sale, the purchaser shall forfeit all rights to the property and any moneys paid thereon and the state*

agency shall recommence the sale process as specified in this subdivision.

*Subd. 4b. [PROCEEDS OF SALE.]* Proceeds from the sale of a parcel of property obtained by the state agency pursuant to this section shall be paid into the special account authorized in section 41.61, subdivision 1, to the extent that funds from the special account were disbursed according to the terms of the family farm security state loan guarantee and into the general fund to the extent that funds were disbursed as payment adjustments by the commissioner agency. Proceeds in excess of these amounts shall be paid to the lender to the extent that payment to the lender pursuant to the loan guarantee was less than the money due and payable to the lender under the family farm security loan. Proceeds in excess of these amounts shall be paid to cooperating agencies according to the terms of the family farm security memorandum of understanding. Additional proceeds, if any, shall be paid into the general fund.

*Proceeds of the sale of property which secured a family farm loan which the agency made, purchased or participated in shall be deposited in the family farm loan fund, or other fund into which the proceeds must be deposited in accordance with the applicable provisions of all bond resolutions, indentures and other instruments, contracts, and agreements of the agency."*

Page 22, line 1, after "\$135,000" insert "(increased by the percentage of increase from January 1, 1981, to the date of the loan application in the consumer price index published by the federal department of labor which is considered by the agency to most closely reflect the prices of farm land and commodities)"

Page 22, delete lines 3 to 5 and insert:

"Sec. 25. Minnesota Statutes 1980, Section 41.58, Subdivision 1, is amended to read:"

Page 22, delete lines 13 to 19 and insert:

"Sec. 26. Minnesota Statutes 1981 Supplement, Section 41.58, Subdivision 2, is amended to read:

*Subd. 2. [NEGOTIABILITY AND MARKETABILITY.]* A seller-sponsored loan shall be secured by a purchase money real estate mortgage evidenced by negotiable note or notes as defined in section 336.3-104 or by a contract for deed. The commissioner agency must be notified in writing within 30 days after a family farm security loan note is sold or exchanged or vendor's interest in a contract for deed is sold, exchanged, assigned or transferred.

Sec. 27. Minnesota Statutes 1980, Section 41.58, Subdivision 3, is amended to read:"

Page 24, line 1, delete "disability,"

Page 24, delete line 2

Page 24, line 12, delete "down payment"

Page 24, line 12, after "fund" insert "or in which the fund participated"

Page 24, after line 12, insert:

*"(c) Proceeds of the sale of defaulted property on which the agency had a lien to secure a family farm loan made from the fund or in which the fund*

participated;”

Reletter the remaining clauses in sequence

Page 24, line 23, delete “, in the following order of priority”

Page 24, delete line 29 and insert:

“(c) To make or participate in family farm loans including family farm first mortgage loans, down payment loans and loans of the federal land bank as provided in section 15, subdivision 6.”

Page 24, after line 29, insert:

“Sec. 32. [41.528] [GENERAL OBLIGATION BONDS.]

*Subdivision 1. [PROCEDURE.] For the purpose of providing money to be appropriated to the family farm loan fund for the purposes provided in section 31, subdivision 3, clauses (b) and (c), the commissioner of finance, upon request of the governor, shall sell and issue Minnesota state family farm finance bonds for the prompt and full payment of which, with interest thereon, the full faith, credit and taxing powers of the state are irrevocably pledged. Bonds shall be issued pursuant to this section only as authorized by a law specifying the purpose thereof and the amount of the proceeds which may be expended for that purpose. Any accrued interest and premium received upon the sale thereof is appropriated and shall be credited to a separate bookkeeping account to be maintained in the state bond fund and designated as the Minnesota state family farm finance bond account. The bonds shall be issued, sold, executed, authenticated, and secured in the manner prescribed in section 16A.64. The bonds are issued pursuant to the Minnesota Constitution, Article XI, Section 5, clause (h), and further secured by Article XI, Section 7. All money appropriated and taxes levied for the payment of the bonds shall be credited to the Minnesota state family farm finance bond account.*

*Subd. 2. [FAMILY FARM FINANCE BOND ACCOUNT.] In order to reduce the amount of taxes otherwise required by the Constitution, Article XI, Section 7, to be levied for the payment of interest and principal on the bonds authorized by this section, there is hereby appropriated annually to the family farm finance bond account in the state bond fund from the general fund in the state treasury a sum of money sufficient in amount, when added to the balance on hand on November 1 in each year in the family farm finance bond account, to pay all principal and interest due and to become due on the bonds within the then ensuing year and to and including July 1 in the second ensuing year. The moneys received and on hand pursuant to the appropriation annually made by this subdivision are available in the state bond fund prior to the levy of the tax in any year required by the Constitution, Article XI, Section 7, and shall be used to reduce the amount of tax otherwise required to be levied.*

*Subd. 3. [APPLICATION OF OTHER SECTIONS.] None of the provisions of sections 17, 18, or 20 apply to bonds issued or sold under this section.”*

Page 25, delete section 27 and insert:

“Sec. 34. [TRANSITION TO NEW AGENCY.]

*The transfer of all responsibilities of the department of agriculture under Minnesota Statutes, Chapter 41, to the family farm finance agency shall be accomplished as provided in section 15.039.*

Sec. 35. [BOND AUTHORIZATION.]

*The commissioner of finance is authorized upon the request of the governor to sell and issue Minnesota state family farm finance bonds for the purposes provided in section 31, subdivision 3, clauses (b) and (c); in the aggregate principal amount of \$20,000,000, in the manner and upon the conditions prescribed in section 32 and in article XI of the constitution. Except as provided in section 36, subdivision 1, all of the proceeds of the bonds are appropriated to the family farm loan fund for expenditure as provided in section 31, subdivision 3, clauses (b) and (c)."*

Page 25, delete lines 13 to 19 and insert:

*"Subdivision 1. The sum of \$185,000 is appropriated from the family farm loan fund to the board of the family farm finance agency for expenses necessary to organize and prepare the agency for operation."*

Page 25, line 25, delete "Section" and insert "Sections"

Page 25, line 25, delete "is" and insert "; 41.54, Subdivisions 3 and 5; and 41.56, Subdivisions 5 and 6; and Minnesota Statutes 1981 Supplement, Section 41.56, Subdivisions 1 and 2, are"

Page 25, line 27, delete "the day following final enactment" and insert "August 1, 1982"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "debt"

Page 1, line 4, delete "obligations" and insert "bonds"

Page 1, line 8, delete ", 5, 8, 9"

Page 1, line 9, delete "Subdivision 4" and insert "Subdivisions 1 and 4, and by adding a subdivision"

Page 1, line 9, delete "41.56;"

Page 1, line 10, after "41.58" insert ", Subdivisions 1 and 3"

Page 1, line 10, after "41.60;" insert "Minnesota Statutes 1981 Supplement, Sections 41.52, Subdivisions 5, 8, and 9; 41.54, Subdivision 2; 41.56, Subdivisions 3 and 4; and 41.58, Subdivision 2;"

Page 1, line 12, delete "Section 41.53" and insert "Sections 41.53; 41.54, Subdivisions 3 and 5; and 41.56, Subdivisions 5 and 6; and Minnesota Statutes 1981 Supplement, Section 41.56, Subdivisions 1 and 2"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Olhott from the Committee on General Legislation and Administrative Rules, to which were referred the following appointments as reported in the Journal for May 6, 1981:

**BOARD OF THE ARTS**

Anne Ehrhardt  
 Patricia Lund  
 Jean Mars  
 Leonard Nadasdy

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.

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

H.F. No. 1616 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.
				1616	1497

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1616 be amended as follows:

Page 1, line 12, reinstate the stricken "in this"

Page 1, line 13, reinstate the stricken "state"

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

Page 1, line 17, strike "Such" and insert "The" and strike "so"

Page 1, line 19, strike "such" and insert "the"

Page 1, line 22, after "county" strike ", and such other matter as"

Page 1, line 23, strike everything before the period

Amend the title as follows:

Page 1, lines 2 to 4, delete "fixing the maximum amount of county money that may be spent by development organizations for certain county developments" and insert "permitting the counties to spend a certain sum for promotion of development"

And when so amended H.F. No. 1616 will be identical to S.F. No. 1497, and further recommends that H.F. No. 1616 be given its second reading and substituted for S.F. No. 1497, 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. 1673, 1702, 1641, 1670, 1588, 1695, 1679, 1692, 1733, 1530, 63 and 1727 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 1120 and 1616 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Willet moved that the name of Mr. Sikorski be added as a co-author to S.F. No. 1551. The motion prevailed.

Mr. Hanson moved that the name of Mr. Lessard be added as a co-author to S.F. No. 1762. The motion prevailed.

Mr. Belanger moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 2004. The motion prevailed.

Mr. Setzepfandt moved that his name be stricken as a co-author to S.F. No. 2005. The motion prevailed.

Mr. Frederickson moved that the name of Mr. Lindgren be added as a co-author to S.F. No. 2024. The motion prevailed.

Mr. Bang moved that the name of Mr. Merriam be added as a co-author to S.F. No. 2027. The motion prevailed.

Mr. Stern moved that the names of Messrs. Humphrey and Keefe be added as co-authors to S.F. No. 2035. The motion prevailed.

Mr. Wegener moved that the names of Mrs. Brataas; Messrs. Moe, R.D.; Chmielewski and Menning be added as co-authors to S.F. No. 2047. The motion prevailed.

Mr. Wegener moved that the names of Messrs. Chmielewski; Berg; Moe, R.D. and Davis be added as co-authors to S.F. No. 2051. The motion prevailed.

Mrs. Lantry moved that her name be stricken as chief author and Mr. Waldorf be added as chief author to S.F. No. 1875. The motion prevailed.

Mrs. Lantry moved that her name be stricken as chief author and Mr. Waldorf be added as chief author to S.F. No. 1877. The motion prevailed.

Ms. Berglin moved that S.F. No. 2009 be withdrawn from the Committee on Local Government and Urban Affairs and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Peterson, C.C. moved that S.F. No. 818 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

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.

**RECONSIDERATION**

Mr. Peterson, C.C. moved that the vote whereby S.F. No. 818 was repassed by the Senate on February 8, 1982, be now reconsidered. The motion prevailed.

**RECONSIDERATION**

Mr. Peterson, C.C. moved that the vote whereby the Conference Committee



Report on S.F. No. 818 was adopted by the Senate on February 8, 1982, be now reconsidered. The motion prevailed.

Mr. Peterson, C.C. moved that S.F. No. 818 be returned to the Conference Committee as formerly constituted. The motion prevailed.

Mr. Johnson, for Mr. Berg, moved that S.F. No. 2039 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Dicklich moved that S.F. No. 1801 be withdrawn from the Committee on Local Government and Urban Affairs and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Moe, R.D. introduced—

Senate Concurrent Resolution No. 10: A Senate concurrent resolution relating to adjournment for more than three days.

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

1. Upon its adjournment on February 18, 1982, the House of Representatives may set its next day of meeting for 2:00 p.m. on February 24, 1982.

2. Upon its adjournment on February 19, 1982, the Senate may set its next day of meeting for 2:00 p.m. on February 24, 1982.

3. Pursuant to the Minnesota Constitution, Article IV, Section 12, the Senate and House of Representatives each consent to the adjournment of the other for more than three days.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Bernhagen introduced—

S.F. No. 2063: A bill for an act relating to taxation; income; deleting certain provisions relating to the taxation of unitary business income; amending Minnesota Statutes 1980, Section 290.34, Subdivision 2, as amended; Minnesota Statutes 1981 Supplement, Section 290.17, Subdivision 2, as amended; 290.21, Subdivision 4, as amended.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Hanson; Peterson, R.W. and Rued introduced—

S.F. No. 2064: A bill for an act relating to Minnesota Statutes, correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating certain redundant, conflicting and superseded provisions; authorizing the revisor of statutes to make necessary reference changes if the administrative procedure act is recompiled as a separate chapter; amending Minnesota Statutes

1980, Sections 60C.02, Subdivision 1; 62B.04, Subdivision 1; 92.03, Subdivision 4; 106.011, Subdivision 20; 106.021, Subdivision 2; 106.081, Subdivision 1; 106.091, Subdivision 2; 120.17, Subdivisions 4a and 5; 123.21; 123.78, Subdivision 1; 123.932, Subdivision 1a; 125.12, Subdivision 3; 129.121, Subdivision 1; 136.015; 145.833, Subdivisions 9, 10 and 11; 160.05, Subdivision 1; 175.35; 177.23, Subdivisions 4, 7 and 10; 177.27; 177.28; 177.29; 177.30; 177.31; 177.32; 177.33; 177.34; 177.35; 214.14, Subdivision 1; 273.11, Subdivision 5; 282.01, Subdivision 1; 290.41, Subdivision 3; 458.192, Subdivision 15; 462.415, Subdivisions 4 and 6; 462.421, Subdivisions 1, 2 and 20; 462.425, Subdivision 7; 462.426, Subdivision 1; 462.427, Subdivision 2; 462.428, Subdivision 3; 462.445, Subdivisions 1, 4 and 5; 462.451, Subdivision 2; 462.461, Subdivisions 1 and 2; 462.485; 462.511; 462.541, Subdivision 2; 462.545, Subdivisions 1, 2, 3 and 6; 462.555; 462.561; 462.571; 462.581; 462.591, Subdivision 1; 462.621, Subdivisions 1 and 3; 462.631, Subdivision 1; 462.635; 462.645, Subdivisions 1, 5 and 7; 462.665; 462.671; 462.701; 462.705; 462.712; 462.713; 473.195, Subdivision 1; 504.24, Subdivision 2; Chapter 111, by adding a section; Minnesota Statutes 1981 Supplement, Sections 11A.18, Subdivision 9; 43A.08, Subdivision 2; 43A.27, Subdivision 2; 47.20, Subdivisions 4a and 4b; 60A.11, Subdivisions 9 and 10; 69.011, Subdivision 2; 69.031, Subdivision 5; 97.488, by adding a subdivision; 116H.129, Subdivisions 1, 5 and 6; 156A.02, Subdivision 6; 168.013, Subdivision 1c; 169.825, Subdivision 10; 171.36; 176.306, Subdivision 2; 204B.31; 222.63, Subdivision 4; 273.11, Subdivision 1; 290.077, Subdivision 4; 290.09, Subdivision 15; 299F.011, Subdivision 1; 353.01, Subdivisions 2a and 6; 355.11, Subdivision 5; 414.0325, Subdivision 5; 462.601; 462.605; 514.011, Subdivision 4a; 525.551, Subdivision 5; 525.6198; and Laws 1981, Chapter 224, Section 73; repealing Minnesota Statutes 1980, Section 60A.11, Subdivisions 5a and 5b; Minnesota Statutes 1981 Supplement, Section 290.971, Subdivision 7; Laws 1980, Chapter 587, Article I, Sections 31, 32, 33, 34, 35, 36, 37, 38 and 39; Laws 1981, Chapters 31, Section 7; 60, Section 14; 137, Section 3; 158; 178, Section 33; 205, Section 1; 224, Section 92; 255, Sections 1, 3 and 4; 356, Sections 99, 189, 190, 191, 210 and 212; and 357, Section 28.

Referred to the Committee on Judiciary.

Messrs. Sikorski and Solon introduced—

S.F. No. 2065: A bill for an act relating to public welfare; clarifying certain provisions of the general assistance program; modifying the eligibility standards for emergency general assistance; providing that grants of emergency general assistance be made in the form of vouchers or vendor payments; amending Minnesota Statutes 1981 Supplement, Sections 256D.05, Subdivision 1; 256D.06, Subdivision 2; and 256D.09, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Dahl introduced—

S.F. No. 2066: A bill for an act relating to taxation; income; providing a credit for certain energy management training expenditures; amending Minnesota Statutes 1980, Section 290.06, by adding a subdivision.

Referred to the Committee on Energy and Housing.

Ms. Berglin introduced—

S.F. No. 2067: A bill for an act relating to taxation; eliminating the reduction of certain property tax refunds; repealing Laws 1981, Third Special Session Chapter 2, Article IV, Section 14.

Referred to the Committee on Taxes and Tax Laws.

Mr. Purfeerst introduced—

S.F. No. 2068: A bill for an act relating to highway traffic regulations; authorizing and regulating the use of liquefied petroleum gas for motor fuel in school buses; amending Minnesota Statutes 1980, Section 169.44, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Sieloff introduced—

S.F. No. 2069: A bill for an act proposing an amendment to the Minnesota Constitution, Article XI, adding a section; providing constitutional limits on state spending.

Referred to the Committee on Finance.

Mr. Sieloff introduced—

S.F. No. 2070: A bill for an act relating to economic development; authorizing the creation of enterprise zones in distressed areas; granting powers to the department of economic development; providing special tax and other treatment for enterprise zones; proposing new law coded in Minnesota Statutes, Chapter 362.

Referred to the Committee on Governmental Operations.

Mr. Sieloff introduced—

S.F. No. 2071: A bill for an act relating to crimes; defining "vulnerable adult" under the vulnerable adult reporting law; amending Minnesota Statutes 1980, Section 626.557, Subdivision 2.

Referred to the Committee on Judiciary.

Mr. Sieloff introduced—

S.F. No. 2072: A bill for an act relating to condominiums; regulating restrictions on the alienability of units; amending Minnesota Statutes 1980, Sections 515A.1-102; 515A.2-119; and 515A.3-102.

Referred to the Committee on Judiciary.

Messrs. Kroening and Dahl introduced—

S.F. No. 2073: A bill for an act relating to nonjudicial resolution of disputes; establishing a study commission; requiring a report to the governor and legislature.

Referred to the Committee on Judiciary.

Mr. Frank introduced—

S.F. No. 2074: A bill for an act relating to public safety; providing for enforcement of warrants issued for traffic violations; requiring certain county license bureaus and deputy registrars of motor vehicles to have computers interconnected with the Minnesota crime information services network; requiring interchange of certain information; prohibiting the issuance of motor vehicle number plates, tabs or stickers and driver's licenses or renewals until outstanding warrants have been satisfied; increasing sheriffs' fees for serving certain process; amending Minnesota Statutes 1981 Supplement, Section 357.09, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 299A.

Referred to the Committee on Judiciary.

Mr. Pehler and Ms. Berglin introduced—

S.F. No. 2075: A bill for an act relating to taxation; providing a new system for property taxation of railroads; amending Minnesota Statutes 1981 Supplement, Section 272.02, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 270; repealing Minnesota Statutes 1980, Sections 270.80 to 270.90.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski introduced—

S.F. No. 2076: A bill for an act relating to the state fire code; repealing an administrative rule of the department of public safety; amending Minnesota Statutes 1981 Supplement, Section 299F.011, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Ashbach, Dahl and Stumpf introduced—

S.F. No. 2077: A bill for an act relating to the city of Roseville; providing an exception from the Roseville police civil service system for the chief and deputy chief of police.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Dahl and Hughes introduced—

S.F. No. 2078: A bill for an act relating to education; authorizing school boards to charge certain fees and deposits; requiring certain waivers; amending Minnesota Statutes 1980, Sections 120.72; 120.73, Subdivisions 1 and 4; 120.74, Subdivisions 1 and 2; repealing Minnesota Statutes 1980, Section 120.75.

Referred to the Committee on Education.

Messrs. Pehler, Olhoft, Bang, Schmitz and Davis introduced—

S.F. No. 2079: A bill for an act relating to taxation; changing certain procedures concerning delinquent property taxes and tax-forfeited land sales; indexing interest rates; allowing county boards to reduce installment contract

terms; providing alternate selling methods; allowing lease of certain lands without advertising for bids; simplifying distribution of tax-forfeited land proceeds; amending Minnesota Statutes 1980, Sections 278.08; 279.37, Subdivisions 1, 2; and by adding a subdivision; 282.01, Subdivision 4, and by adding a subdivision; 282.04, by adding a subdivision; 282.08; and 282.261; Minnesota Statutes 1981 Supplement, Section 279.03.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Ramstad, Frederickson and Benson introduced—

S.F. No. 2080: A bill for an act relating to proposing an amendment to the Minnesota Constitution, Article XI, Section 1; limiting state spending to a percentage of tax revenues.

Referred to the Committee on Finance.

Messrs. Wegener, Engler and Olhoft introduced—

S.F. No. 2081: A bill for an act relating to agriculture; establishing an apiary account in the state treasury; appropriating money; amending Minnesota Statutes 1980, Section 19.19, Subdivision 3.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Johnson introduced—

S.F. No. 2082: A bill for an act relating to taxation; adjusting the distribution of the production tax to certain taxing jurisdictions; amending Minnesota Statutes 1981 Supplement, Section 298.28, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Menning introduced—

S.F. No. 2083: A bill for an act relating to crimes; requiring mandatory jail sentences for persons convicted of driving while under the influence of alcohol or a controlled substance; prescribing penalties; amending Minnesota Statutes 1980, Section 169.121, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 169.121, Subdivision 5; and 609.135, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Menning introduced—

S.F. No. 2084: A bill for an act relating to taxation; providing for a refund to distributors of certain uncollected gasoline taxes; amending Minnesota Statutes 1980, Section 296.14, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Davis, Schmitz, Bernhagen, Setzpfandt and Lessard introduced—

S.F. No. 2085: A bill for an act relating to retirement; providing for an exemption from membership therein for managers; modifying the income taxation of deferred compensation contributions by certain municipal utility

managers; amending Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended; proposing new law coded in Minnesota Statutes, Chapter 353.

Referred to the Committee on Public Employees and Pensions.

Mr. Chmielewski introduced—

S.F. No. 2086: A bill for an act relating to natural resources; requiring rules and actions of the commissioner to be consistent with local zoning ordinances; amending Minnesota Statutes 1980, Section 84.03.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Davies introduced—

S.F. No. 2087: A bill for an act relating to workers' compensation; regulating the second injury fund; providing coverage for certain occupational diseases; amending Minnesota Statutes 1980, Section 176.131, Subdivision 7.

Referred to the Committee on Employment.

Mr. Bang introduced—

S.F. No. 2088: A bill for an act relating to garnishment; authorizing an employer to recover expenses incurred for administering garnishment of an employee's wages; amending Minnesota Statutes 1980, Section 571.57.

Referred to the Committee on Judiciary.

Mr. Bang introduced—

S.F. No. 2089: A bill for an act relating to taxation; authorizing certain taxing jurisdictions to impose certain taxes or fees; proposing new law coded in Minnesota Statutes, Chapter 471; repealing Minnesota Statutes 1981 Supplement, Section 477A.016.

Referred to the Committee on Taxes and Tax Laws.

Mr. Dicklich introduced—

S.F. No. 2090: A bill for an act relating to state lands; authorizing sale and conveyance of a certain tract in order to correct a survey error.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Dicklich introduced—

S.F. No. 2091: A bill for an act relating to retirement, Virginia police relief association; defining certain terms; providing for the governance of separate and distinct general and special funds; providing benefit improvements for certain participants and benefit recipients; validating adoption of police pension law for cities of the third class; validating past payments; repealing Laws 1935, Chapters 92 and 259; Laws 1937, Chapter 197; and Laws 1949, Chapter 235.

Referred to the Committee on Public Employees and Pensions.

Mr. Davies introduced—

S.F. No. 2092: A bill for an act relating to judicial procedures; extending the court's jurisdiction in certain domestic proceedings; amending Minnesota Statutes 1980, Section 543.19, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Davies introduced—

S.F. No. 2093: A bill for an act relating to insurance; authorizing the commissioner to enjoin violations of chapter 60A; amending Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivision 6c.

Referred to the Committee on Commerce.

Mr. Davies introduced—

S.F. No. 2094: A bill for an act relating to professional records; providing for ownership and control of medical records by their individual subjects; providing for client ownership of certain records in the hands of an attorney; amending Minnesota Statutes 1980, Sections 144.335, Subdivision 2, and by adding a subdivision; 144.651; and 481.14.

Referred to the Committee on Judiciary.

Mr. Knoll introduced—

S.F. No. 2095: A bill for an act relating to state government; implementing the provisions of certain reorganization orders issued by the commissioner of administration; amending Minnesota Statutes 1980, Sections 176.281; and 474.01, Subdivisions 7a and 7b; and Minnesota Statutes 1981 Supplement, Section 474.03.

Referred to the Committee on Governmental Operations.

Messrs. Vega and Knoll introduced—

S.F. No. 2096: A bill for an act relating to metropolitan government; requiring the metropolitan waste control commission to submit certain information to the commissioner of energy, planning and development for review; amending Minnesota Statutes 1980, Section 473.535; and Minnesota Statutes 1981 Supplement, Section 4.12, Subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Solon; Johnson; Ulland; Peterson, C.C. and Moe, R.D. introduced—

S.F. No. 2097: A bill for an act relating to taxation; authorizing the designation of enterprise zones comprising areas of pervasive poverty, unemployment, and distress; classifying income derived from enterprises and employment in these areas for the purpose of taxation; amending Minnesota Statutes 1980, Sections 290.01, by adding subdivisions; 290.07, by adding a subdivision; 290.08, by adding a subdivision; 290.16, Subdivision 4, as amended; and 290.095, Subdivision 3; Minnesota Statutes 1981 Supplement, Section

290.01, Subdivision 20, as amended; 290.091, as amended; proposing new law coded in Minnesota Statutes, Chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Luther; Merriam; Peterson, R. W. and Dahl introduced—

S.F. No. 2098: A bill for an act relating to energy; providing for the lease of potential hydropower sites by the state or political subdivisions; amending Minnesota Statutes 1980, Sections 272.02, Subdivision 1, and by adding a subdivision; 273.19, by adding a subdivision; and proposing new law coded in Minnesota Statutes, Chapter 116H.

Referred to the Committee on Energy and Housing.

Mr. Moe, R.D. introduced—

S.F. No. 2099: A bill for an act relating to taxation; extending the research and development credit to certain contributions; amending Laws 1981, Third Special Session Chapter 2, Article III, Section 6, Subdivisions 1 and 2.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Lantry introduced—

S.F. No. 2100: A bill for an act relating to motor vehicles; limiting the issuance of vehicle registration plates or tabs under certain circumstances; prohibiting the issuance of arrest warrants for violations of parking laws by certain courts; defining parking violations and participating jurisdictions; requiring notice to violators; appropriating money; amending Minnesota Statutes 1980, Sections 169.99, Subdivision 1, and by adding a subdivision; and 171.16, Subdivision 3, and by adding subdivisions.

Referred to the Committee on Judiciary.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Thursday, February 18, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



## SEVENTY-THIRD DAY

St. Paul, Minnesota, Thursday, February 18, 1982

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. Charles Anderson.

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

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	Johnson	Moe, D.M.	Renneke	Vega
Chmielewski	Kamrath	Moe, R.D.	Rued	Waldorf
Dahl	Knoll	Nelson	Schmitz	Wegener
Davies	Knutson	Olhoft	Setzepfandt	Willet
Davis	Kroening	Pehler	Sikorski	

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, Keefe and Sieloff were excused from the Session of today. Messrs. Hughes and Purfeerst were excused from the Session of today at 11:50 a.m.

### REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 1532. The motion prevailed.

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

S.F. No. 1678: A bill for an act relating to the city of Minneapolis; provid-

ing for the security for certain rehabilitation loans; amending Laws 1977, Chapter 138, Section 2.

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

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

S.F. No. 1532: A bill for an act relating to taxation; permitting the city of Lonsdale to impose a special levy for fire protection purposes.

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

Delete everything after the enacting clause and insert:

“Section 1. [FIRE PROTECTION LEVY: TOWNS OF ERIN, FOREST, WEBSTER, AND WHEATLAND.]

*The provisions of Minnesota Statutes, Section 368.85, Subdivision 6, limiting the levy of a town for the support of a fire protection district shall not apply to the levies of the towns of Erin, Forest, Webster, and Wheatland in Rice County for the purpose of providing fire protection.*

Sec. 2. [REVERSE REFERENDUM.]

*Prior to levying any tax authorized by section 1, the town boards of the towns named in section 1 shall adopt a joint resolution stating their intention to levy the tax, the amount and purpose of the levy, and a description of the property owners within their respective towns to be affected by the levy. The resolution shall be published once each week for two consecutive weeks in a newspaper of general circulation serving the area encompassing the fire protection district, and shall be published annually for any year in which the tax authorized by section 1 is proposed to be levied. The tax may be levied without a referendum unless within 21 days after the second publication of the resolution a petition requesting a referendum signed by at least ten percent of the registered voters of the fire protection district is filed with the town clerk in any of the towns named in section 1. If a petition is filed, the tax authorized by section 1 may not be levied unless approved by a majority of the voters of the fire protection district at a regular or special election.*

Sec. 3. [EFFECTIVE DATE.]

*Section 1 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the town boards of the towns of Erin, Forest, Webster, and Wheatland in Rice County.”*

Amend the title as follows:

Page 1, line 2, delete “city of Lonsdale” and insert “towns of Erin, Forest, Webster, and Wheatland in Rice County”

Page 1, line 3, before the period, insert “; providing for a reverse referendum on the levy question”

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

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

S.F. No. 1749: A bill for an act relating to local improvements; providing the method for action on certain improvements by certain towns; amending Minnesota Statutes 1980, Section 429.011, Subdivision 2b.

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

Page 1, lines 15 to 20, reinstate the stricken language and delete the new language

Page 1, line 21, reinstate the stricken "365.53, except when"

Page 1, line 21, after the stricken "all" insert "75 percent"

Page 1, line 21, reinstate the stricken "of the owners of the land which would be"

Page 1, lines 22 to 24, reinstate the stricken language

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1710: A bill for an act relating to public safety; providing that fines and forfeited bail money from overweight vehicles apprehended at state-operated scales be placed in the highway user tax distribution fund; amending Minnesota Statutes 1981 Supplement, Section 299D.03, Subdivision 5.

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

Page 2, line 17, strike "All" and insert "Five-eighths of"

Page 2, line 19, after the period, insert "Three-eighths of such receipts shall be credited to the general revenue fund of the county."

Amend the title as follows:

Page 1, line 4, delete "placed in the" and insert "allocated between the state and certain political subdivisions"

Page 1, line 5, delete "highway user tax distribution fund"

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. 1744: A bill for an act relating to taxation; income tax; property tax refund; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; imposing penalties on a preparer for wilfully understating an income tax liability or wilfully overstating a property tax refund claim; proposing new law coded in Minnesota Statutes, Chapters 290 and 290A.

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

Page 2, line 24, after the period, insert "*The court may not under this section enjoin the employer of an income tax return preparer for conduct described in clauses (1) through (4) of clause (a) of this subdivision engaged in by one or more of the employer's employees unless the employer was also actively involved in such conduct.*"

Page 3, line 17, after the period, insert "*The penalty under this section may not be assessed against the employer of an income tax preparer unless the employer was actively involved in the wilful attempt to understate the liability for a tax.*"

Page 5, line 3, after the period, insert "*The penalty under this section may not be assessed against the employer of a property tax refund return preparer unless the employer was actively involved in the wilful attempt to overstate the claim for property tax refund.*"

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. 1804: 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.

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

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 298.76, is amended to read:

298.76 [LOCAL LAWS, APPLICATION.]

Section 298.75 shall not supersede any local law, except that the provisions of section 298.75, subdivisions 2 and 3, shall supersede the provisions of any local law. *A county that imposes or may impose a gravel tax pursuant to a local law may elect to impose a tax pursuant to section 298.75 in lieu of the tax imposed pursuant to local law.*"

Page 1, line 20, delete "1" and insert "2"

Page 1, line 23, after "*effective*" insert "*the day following final enactment. Section 2 is effective*"

Page 2, line 1, delete "1" and insert "2"

Page 2, line 4, after "*specified by*" insert "*the previous resolution of*"

Page 2, line 5, delete "*resolution*" and insert "*which the rate of the gravel tax in that county was increased from five cents to ten cents per cubic yard*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "*authorizing counties imposing a gravel tax under local law to elect to impose a gravel tax under general law;*"

Page 1, line 4, after "*amending*" insert "*Minnesota Statutes 1981 Supple-*

ment, Section 298.76; and''

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

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

S.F. No. 1613: A bill for an act relating to state departments and agencies; regulating the disposition of certain land within the capitol area; amending Minnesota Statutes 1981 Supplement, Section 15.50, Subdivision 6.

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

Page 2, lines 19 and 20, delete the new language

Page 2, line 24, after the period, insert "*All conveyances of property under subclauses (i) and (ii) shall be without compensation and shall be subject to any restrictive easements which the board may determine to be necessary for implementation of the comprehensive plan.*"

Page 2, lines 27 to 33, delete the new language

Page 3, after line 20, insert:

"(5) *At any time after acquiring a tax-forfeited parcel of property pursuant to the provisions of this subdivision, the board may direct the commissioner of administration to convey the parcel of property by quitclaim deed to the city of Saint Paul housing and redevelopment agency. The conveyance of property shall be without compensation and shall be subject to any restrictive easements which the board may determine to be necessary for implementation of the comprehensive plan.*"

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

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

S.F. No. 1815: A bill for an act relating to economic development; providing for a Minnesota conference on job formation; appropriating money.

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

Page 1, line 9, delete "*nine*" and insert "*three*"

Page 1, line 9, delete "*Three*" and insert "*One*"

Page 1, lines 10 and 11, delete "*three*" and insert "*one*"

Page 1, delete sections 2 and 3 and insert:

"Sec. 2. [STATE MEETING; PROCEDURES.]

*The Minnesota conference commissioners shall establish procedures for a state meeting of representatives from labor, industry, and government to discuss job formation and the opportunity and need for job formation within the state. The meeting shall be held as soon as possible and be conducted according to the rules and procedures provided by the conference commissioners."*

Page 2, line 1, delete "help" and insert "assist in"

Page 2, line 2, delete "March" and insert "January 15"

Page 2, line 3, delete "1"

Renumber the sections in sequence

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Knoll from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1841: A bill for an act relating to the legislature; establishing a legislative science and technology resource council; providing for its powers and duties; proposing new law coded in Minnesota Statutes, Chapter 3.

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

Delete everything after the enacting clause and insert:

"Section 1. [3.352] [LEGISLATIVE COMMISSION ON SCIENCE AND TECHNOLOGY.]

*Subdivision 1. [CREATION, MEMBERSHIP, MEETINGS.] The legislative commission on science and technology is composed of three senators of the majority party and two senators of the minority party appointed by the subcommittee on committees of the committee on rules and administration, and three representatives of the majority party and two representatives of the minority party appointed by the speaker of the house. The commission shall be appointed and shall hold its first meeting not later than 30 days after enactment of this section. The commission shall elect a chairman from among its members. Meetings of the commission shall be held not less than six times each year.*

*Subd. 2. [PURPOSE, LEGISLATIVE FINDINGS.] The legislature finds that an increasing number of scientific and technical issues have become major questions of public policy. It further finds that many legislators need greater knowledge and experience in physical and biological sciences and other highly technical fields. Therefore, the legislature declares the need for an on-going staff function that will supply objective services in the areas of issue identification, policy option review, and access to outside professional resource persons. Oversight of the science and technology function shall be primarily the responsibility of the commission established in subdivision 1.*

*Subd. 3. [GENERAL DUTIES.] The commission shall advise and assist other legislators and standing committees through:*

*(a) identification of scientific and technological issues that may require legislative involvement in the near or long term future;*

*(b) improving legislator understanding of technical aspects of issues that come before the legislature;*

*(c) acquiring adequate access to the testimony and counsel of experts in various scientific and technological fields;*

*(d) sponsoring seminars or other learning experiences that improve legisla-*

tor understanding of scientific and technological issues.

*Subd. 4. [SCIENCE AND TECHNOLOGY RESOURCE COUNCIL.] The commission shall establish or continue a science and technology resource council composed of 15 members from the academic and scientific communities of Minnesota. Council members shall serve six year terms, with the terms of five members expiring at the end of each odd-numbered year. The membership of the council shall appoint replacements to fill expired terms and vacancies caused by death, disability, or resignation. In January of each even-numbered year the council shall elect a chairman and vice-chairman from among its members to serve two year terms. The council shall meet upon the call of the chairman or the request of a majority of the council's members. The chairman may create and abolish subcommittees.*

*All council members shall serve without compensation. However, members may be reimbursed for the actual expenses of attending meetings.*

*The council may advise and assist the commission on:*

*(1) holding seminars on science and technology subjects that will provide information to legislators;*

*(2) defining scientific and technological issues that will be important in the future and that may require legislative encouragement, prohibition, or regulation;*

*(3) reviewing documents prepared by legislative staff on scientific and technological subjects; and*

*(4) maintaining access to a pool of specialists and experts who can assist the legislature in consideration of science and technology policy issues.*

*Subd. 5. [STAFF AND APPROPRIATIONS FOR THE COMMISSION.] The legislative coordinating commission shall be responsible for staffing and appropriations to the commission as provided in Minnesota Statutes 1981 Supplement, Section 3.304, Subdivision 2a. The legislative coordinating commission may delegate staffing responsibilities to an existing staff office of the house of representatives or the senate, a joint legislative committee or office, or a state agency.*

*The legislative coordinating commission may accept and receive, on behalf of the commission, any grants, gifts, or other funds made available to the state for purposes consistent with this section.*

## Sec. 2. [APPROPRIATION.]

*There is appropriated from the general fund to the legislative coordinating commission the amount of \$10,000 for purposes of section 1. This amount is available until June 30, 1983. Of this appropriation, not more than \$1,000 shall be used to reimburse members of the science and technology resource council for their actual expenses of attending meetings. The balance may be used for conducting seminars, publishing and distributing printed materials, and other expenses directly related to the purposes of this act.*

## Sec. 3. [REPEALER.]

*Minnesota Statutes 1980, Section 3.351, is repealed.*

## Sec. 4. [EFFECTIVE DATE.]

*This act is effective the day following final enactment. The science and technology resource council existing prior to Laws 1981, Third Special Session Chapter 2, Article 1, Section 2, Subdivision 1, Clause (a) (8) shall continue as the resource council established pursuant to section 1, subdivision 4."*

Delete the title and insert:

"A bill for an act relating to the legislature; creating a legislative commission on science and technology; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 3; repealing Minnesota Statutes 1980, Section 3.351."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Humphrey from the Committee on Energy and Housing, to which was referred

S.F. No. 1918: A bill for an act relating to manufactured homes; requiring manufacturers and dealers of manufactured homes to be licensed and regulated by the commissioner of administration; providing for the rights and duties of owners and residents of manufactured home parks; making certain changes in the procedure for titling manufactured homes; requiring park owners to adopt storm safety plans for the protection of residents; empowering municipalities to enforce certain ordinances within manufactured home parks and recreational camping areas; clarifying the procedures to be used in the repossession of a manufactured home; clarifying certain language; prohibiting certain practices; imposing fees and penalties; providing remedies; defining terms; proposing new law coded in Minnesota Statutes, Chapter 168A; proposing new law coded as Minnesota Statutes, Chapters 327B and 327C; amending Minnesota Statutes 1980, Sections 168A.02, Subdivision 3; 327.14; 327.16, Subdivision 2; 327.20, Subdivision 1; 327.24, by adding a subdivision; 327.26; 327.27, Subdivision 2, and by adding a subdivision; 327.62, Subdivision 2; 327.63; 327.65; 327.66; 363.02, by adding a subdivision; and 566.18, Subdivisions 2, 7, and 8; repealing Minnesota Statutes 1980, Sections 327.41; 327.42; 327.43; 327.45; 327.451; 327.452; 327.46; 327.47; 327.51; 327.52; 327.53; 327.54; 327.55; 327.551; 327.552; 327.553, Subdivisions 2, 3 and 4; 327.554; 327.56; and Minnesota Statutes 1981 Supplement, Sections 327.44; 327.441; 327.55, Subdivision 1a; and 327.553, Subdivision 1.

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

Page 4, line 23, after "*deposit*" insert "*, share draft*"

Page 5, line 16, after "*delivery*" insert "*of the manufactured home*"

Page 6, delete lines 34 and 35

Reletter the remaining clauses in sequence

Page 7, line 11, after "*applicant's*" insert "*qualifications and*"

Page 8, line 9, delete "*regulations*" and insert "*rules*"

Page 8, line 35, delete "*, and for a*" and insert "*or*"

Page 9, line 14, delete "*of this section*"

Page 10, delete lines 9 to 12



Page 10, line 27, delete "*permission from*" and insert "*first notifying*"

Page 10, delete lines 31 to 33

Reletter the remaining clauses in sequence

Page 11, line 30, delete "*of this section*"

Page 12, line 28, delete everything before the period and insert "*authority to conduct a hearing to a hearing examiner*"

Page 14, line 30, delete "*regulations*" and insert "*rules*"

Page 16, line 14, delete "*who is not an affiliate of the dealer*"

Page 16, line 21, after "*rules*" insert "*and issue orders*"

Page 16, line 22, after "*implement*" insert "*and administer*"

Page 17, after line 26, insert:

"Sec. 14. [TEMPORARY SURCHARGE.]

*For purposes of defraying costs of administering the provisions of sections 1 to 13, a \$30 surcharge is imposed on each application for a license or license renewal submitted during calendar year 1983. This surcharge shall expire December 31, 1983. All surcharge income is appropriated to the department of administration, building code division, for costs directly attributed to the requirements of sections 1 to 13; any additional income shall cancel on December 31, 1983, to the general fund."*

Reorder the sections in sequence and correct internal references

Pages 18 and 19, delete section 1

Page 20, line 3, after the comma, insert "*promote the good appearance and facilitate the efficient operation of the park,*"

Page 20, line 4, after "*abusive*" insert "*or improper*"

Page 20, line 9, after "*or*" insert "*unjustifiably*"

Page 20, line 15, delete "*or her*"

Page 20, line 21, after "*(a)*" insert "*significantly*"

Page 20, line 22, delete "*or important*"

Page 20, line 23, after "*(b)*" insert "*significantly*"

Page 20, line 23, delete "*important or*"

Page 20, line 32, delete "*Any*"

Page 20, delete line 33

Page 20, line 34, delete "*retain*"

Page 20, line 34, after "*agreement*" insert "*shall be given to the applicant*"

Page 21, line 1, delete "*or incorporate by reference*"

Page 21, line 4, delete "*are to be*"

Page 21, line 5, delete "*provided by*"

Page 21, line 5, delete "*for*" and insert "*agrees to provide to*"

Page 21, line 7, delete everything after "*resident*" and insert a semicolon

Page 21, delete lines 8 and 9

Page 21, line 15, delete "*sixty*" and insert "*60*"

Page 21, line 16, delete "*, and must specify in writing the reason for the change*"

Page 21, line 17, after "*resident*" insert "*initially*"

Page 21, line 20, after "*the*" insert "*original*"

Page 21, line 21, delete "*or a*" and insert "*is not a substantial modification of the rental agreement and is not considered to be a rule for purposes of section 2, subdivision 9. A*"

Page 21, line 23, after the period insert "*A rule change requiring all residents to maintain their homes, sheds and other appurtenances in good repair and safe condition shall not be deemed a substantial modification of a rental agreement. If a part of a resident's home, shed or other appurtenance becomes so dilapidated that repair is impractical and total replacement is necessary, the park owner may require the resident to make the replacement in conformity with a generally applicable rule adopted after the resident initially entered into a rental agreement with the park owner.*

*In any action in which a rule change is alleged to be a substantial modification of the rental agreement, a court may consider the following factors in limitation of the criteria set forth in section 2, subdivision 12:*

*(a) any significant changes in circumstances which have occurred since the original rule was adopted; and*

*(b) any compensating benefits which the rule change may produce for the resident."*

Page 21, line 24, delete "*serve any*" and insert "*give*"

Page 21, line 25, delete "*to be served on a resident*"

Page 21, line 25, delete the second "*by*"

Page 21, line 27, delete "*certified*" and insert "*ordinary*"

Page 21, line 27, before "*mailing*" insert "*last known*"

Page 21, line 28, delete "*Service*" and insert "*Notice*"

Page 21, line 29, delete "*certified*"

Page 21, line 32, after "*secure*" insert "*and conspicuous*"

Page 22, line 13, after "*or*" insert "*substantially endanger*"

Page 22, line 21, delete "*2*" and insert "*seven*"

Page 22, line 23, delete "*, and*" and insert a period

Page 22, line 32, delete "*fifteen*" and insert "*15*"

Page 22, line 34, after "*resident*" insert "*, and you must advise in writing anyone who wants to buy your home that the sale is subject to final approval by the park owner*"

Page 23, line 6, delete "PERMISSIBLE"

Page 23, line 12, delete the comma and insert "AND"

Page 23, line 12, delete "AND APPLICATION"

Page 23, line 13, delete "in writing"

Page 23, line 15, after the period, insert "*The contract must be in writing and*"

Page 23, line 15, delete "*a reasonable price*"

Page 23, line 16, delete "*this*" and insert "*the*"

Page 23, line 16, delete "*must*" and insert "*may*"

Page 23, line 22, delete the comma and insert "*or*"

Page 23, line 22, delete "*or special nature*"

Page 23, line 24, delete "*or her*"

Page 23, line 29, delete everything after "*home*"

Page 23, line 30, delete "*by the resident*"

Page 23, line 32, after the period, insert "*The park owner may charge an additional fee for pets owned by the resident, but the fee may not exceed \$4 per pet per month. This subdivision does not prohibit a park owner from abating the rent of a particular resident with special needs.*"

Page 24, line 1, after "*property*" insert "*, including any damage done by the resident in the installation or removal of the resident's home*"

Page 24, line 8, delete "*fifteen dollars*" and insert "\$10"

Page 24, line 18, delete "*makes*" and insert "*serves the resident with a written notice of*"

Page 24, line 18, delete "*in writing*"

Page 24, after line 27, insert:

*"Charges incurred pursuant to this subdivision shall not be considered as rental payments. The notice required by clause (c) shall specify the work performed, the date of its performance, the total cost of performing the work, the method used in computing the cost and a deadline for payment by the resident. The deadline shall not be less than 30 days after the service of the notice."*

Page 25, line 5, delete "*fifteen*" and insert "15"

Page 26, line 6, delete "UNREASONABLE" and "PROHIBITED"

Page 26, line 12, after the comma insert "*any rule which violates any provision of this article or of any other law shall be deemed unreasonable, and*"

Page 26, line 22, after the semicolon, insert "*and*"

Page 26, line 24, delete "*; and*" and insert a period

Page 26, delete lines 25 and 26

Page 26, line 27, after the headnote, insert "*In addition to the rules listed in subdivision 2*"

Page 26, line 28, delete "*not listed in subdivision 2*"

Page 26, line 36, delete "*located within the*" and insert a period

Page 27, delete lines 1 and 2

Page 27, delete lines 4 and 5

Page 27, line 6, delete "*Subd. 2.*" and insert "*Subdivision 1.*"

Page 27, line 8, delete "*sixty*" and insert "*60*"

Page 27, line 10, delete "*3*" and insert "*2*"

Page 27, line 13, delete everything after "*agency*" and insert a period

Page 27, delete lines 14 and 15

Page 27, line 16, delete "*4*" and insert "*3*"

Page 27, line 19, after the headnote, insert "*Except as otherwise provided in this section.*"

Page 27, line 20, delete "*or her*"

Page 27, line 22, delete "*fifteen*" and insert "*15*"

Page 27, line 24, delete "*twenty-five dollars*" and insert "*\$25*"

Page 27, line 29, delete "*must*" and insert "*may*"

Page 27, line 36, delete everything after "*(a)*" and insert "*the park owner has specified in writing the procedures and criteria used to evaluate the credit-worthiness and suitability as a resident of individuals seeking to buy homes offered for in park sale;*

*(b) the written disclosure required by clause (a) is made available on request at no charge to residents, prospective buyers, and their agents;*

*(c) the park owner is available to the prospective buyer at reasonable times if the park owner requires the prospective buyer to apply or be interviewed in person;*"

Reletter the clauses in sequence

Page 28, delete lines 1 and 2

Page 28, line 4, after "*reasonable*" insert "*and applied uniformly*"

Page 28, line 10, delete "*fourteen*" and insert "*14*"

Page 28, line 12, after the second "*the*" insert "*specific reasons for the*"

Page 28, line 15, delete "*the seller and*"

Page 28, line 17, after "*request*" insert "*for an explanation*"

Page 28, line 36, after "*rules*" insert "*applicable to the resident and*"

Page 29, lines 1 and 8, delete "*must*" and insert "*may*"

Page 29, line 5, after "*compliance*" insert "*with pre-existing maintenance rules applicable to the resident.*"

Page 29, lines 12 and 14, delete "*substantially*" and insert "*significantly*"

Page 29, line 16, delete "*substantial*" and insert "*significant*"

Page 29, line 17, before the period, insert ". *except for costs involved in doing any work necessary to bring the home or lot into compliance with pre-existing maintenance rules applicable to the resident*"

Page 29, after line 17, insert:

*"Provided that if a part of the resident's home, shed, or other appurtenance has become so dilapidated that repair is impractical and total replacement is necessary, the park owner may require the resident or prospective buyer to make the replacement in conformity with a generally applicable rule adopted after the resident initially entered into a rental agreement with the park owner."*

Page 29, line 21, delete "*must*" and insert "*may*"

Page 29, line 22, after "*but*" insert "*the rent must be paid on time and*"

Page 30, line 14, after the semicolon, insert "*and*"

Page 30, line 27, delete "*rent*" and insert "*periodic rental*"

Page 30, line 31, delete "*regulation*" and insert "*rule*"

Page 30, line 33, delete "*regulation*" and insert "*rule*"

Page 31, line 2, delete "*must*" and insert "*requirement does*"

Page 31, line 5, delete "*substantially annoys or*"

Page 31, line 6, after "*personnel*" delete "*or*" and insert a comma

Page 31, line 7, after "*premises*" insert "*or substantially annoys other residents,*"

Page 31, line 10, delete the semicolon and insert ". *A park owner seeking to evict pursuant to this subdivision need not produce evidence of a criminal conviction, even if the alleged misconduct constitutes a criminal offense.*"

Page 31, line 13, before "*rule*" insert "*state*"

Page 31, line 16, after "*future*" insert "*serious*"

Page 31, line 18, delete "*nine*" and insert "*six*"

Page 31, line 18, delete "*violates*" and insert "*commits a serious violation of*"

Page 31, line 19, delete "*material or important*" and insert "*park*"

Page 31, line 20, before "*rule*" insert "*state*"

Page 31, line 33, delete "*a section of*" and "*where the*"

Page 31, line 34, delete "*other homes are compatible with the resident's home*"

Page 31, line 35, after "*lot*" insert "*unless the home, because of its size or local ordinance, is not compatible with that lot*"

Page 31, line 35, after the period, insert "*If no other lots are available in the*

*park, the park owner must offer the resident a written option to rent the first lot which becomes available in the park. The option may be transferred only as part of a sale of the resident's home, and the transfer is subject to the park owner's approval of the transferee as a resident."*

Page 32, line 5, delete *"where the other homes are compatible with"*

Page 32, line 6, delete *"the resident's home,"*

Page 32, line 7, after *"lot"* insert *"unless the home, because of its size or local ordinance, is not compatible with that lot"*

Page 32, line 7, after the period, insert *"If no lot is available, and any part of the park premises is intended for future use as a park, the park owner must offer the resident a written option to rent the first lot which becomes available at the park location. The option may be transferred only as part of a sale of the resident's home, and the transfer is subject to the park owner's approval of the transferee as a resident."*

Page 32, line 11, after the first *"the"* insert *"sum allegedly due contains a charge which violates section 4, or that the"*

Page 32, line 12, delete *", with the regulations"*

Page 32, delete line 13

Page 32, line 14, delete *"327.20, subdivision 2"*

Page 32, line 14, delete everything after the period

Page 32, delete lines 15 to 17

Page 32, line 36, delete *"eighteen"* and insert *"12"*

Page 32, after line 36, insert:

*"An exercise of the right of redemption shall not be counted for the purposes of this subdivision if the resident pays not only the rent due and the park owner's court costs, but also the park owner's actual reasonable attorney's fees."*

Page 33, line 13, delete *"two"* and insert *"seven"*

Page 33, line 21, after *"(a)"* insert *"neither"*

Page 33, line 21, delete *"and"* and insert *"nor members of"*

Page 33, line 21, delete *"do not"*

Page 33, line 24, after the semicolon, insert *"and"*

Page 33, line 27, after *"days"* insert *"written"*

Page 33, line 33, delete *"must not threaten to"* and insert *"may"*

Page 34, line 6, delete *"owner"*

Page 34, line 28, delete *"must not"* and insert *"may"*

Page 34, line 29, after *"lot"* insert *"whenever necessary to respond to or prevent an emergency, but otherwise may not come onto the lot"*

Page 34, line 33, delete *"15"* and insert *"14"*

Page 35, delete lines 4 and 5

Page 35, line 6, delete "(2)" and insert "(1)"

Page 35, line 9, delete "(3)" and insert "(2)"

Page 35, line 13, after "2" delete the semicolon and insert a comma

Page 35, line 13, after "4" delete the comma

Page 35, line 24, strike "such" and insert "that"

Page 36, line 8, before "Minnesota" insert "Subdivision 1."

Page 36, line 9, delete "and Minnesota Statutes" and insert "are repealed."

Page 36, delete line 10 and insert:

"Subd. 2. Minnesota Statutes 1981 Supplement, Sections 327.44 and 327.441 are repealed."

Page 36, line 12, delete "19" and insert "20, subdivision 1,"

Page 36, line 15, after "17" delete "and 18" and insert "to 19, and 20, subdivision 2,"

Renumber the sections in sequence and correct internal references

Page 36, line 23, after "home" insert ", as defined in section 327.31, subdivision 6. In every certificate of title issued for a manufactured home, the department shall insert the following notice: THIS TITLE DESCRIBES A MANUFACTURED HOME NOT A MOTOR VEHICLE"

Page 36, line 23, delete everything after the period

Page 36, delete lines 24 and 25

Page 38, line 33, strike "Provided, that"

Page 39, line 1, strike "regulations" and insert "rules"

Page 41, line 26, strike "regulations" and insert "rules"

Page 41, line 28, after "(6)" insert "In the case of a manufactured home park,"

Page 41, line 29, delete "a manufactured home" and insert "the"

Page 41, line 30, delete "or recreational camping area"

Page 41, line 35, delete "or area"

Page 41, line 35, after the period, insert "Nothing in this paragraph requires the department of health to review or approve any shelter or evacuation plan developed by a park. Failure of a municipality to approve a plan submitted by a park shall not be grounds for action against the park by the department of health if the park has made a good faith effort to develop the plan and obtain municipal approval."

Page 42, line 4, delete "and regulations"

Page 45, after line 5, insert:

"Sec. 14. [EFFECTIVE DATE.]

Sections 1 to 4 and 6 to 13 are effective August 1, 1982. Section 5 is effective

January 1, 1983.”

Correct internal references

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H.F. No. 1614: A bill for an act relating to Independent School District No. 708; requiring certification of statutory operating debt.

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

Mr. Hughes from the Committee on Education, to which was referred

S.F. No. 1756: A bill for an act relating to Independent School District No. 699; requiring certification of statutory operating debt.

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

Mr. Hughes from the Committee on Education, to which was referred

H.F. No. 1724: A bill for an act relating to Independent School District No. 507, Nicollet; authorizing a transfer of funds collected by referendum levy to reduce statutory operating debt.

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

Mr. Hughes from the Committee on Education, to which was referred

H.F. No. 1574: A bill for an act relating to Independent School District No. 084, Sleepy Eye; requiring revision of its certified statutory operating debt.

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

Mr. Hughes from the Committee on Education, to which was referred

S.F. No. 1741: A bill for an act relating to education; removing the commissioner of education from the state university board and as secretary of the board; amending Minnesota Statutes 1980, Sections 136.12, Subdivision 1; and 136.13.

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

Page 2, after line 6, insert:

“Sec. 3. Minnesota Statutes 1980, Section 136.88, Subdivision 5, is amended to read:

Subd. 5. A teacher who is reinstated to the same or similar position after an extended leave pursuant to this section shall not lose tenure or credit for previous seniority in the employing community college or state university. A teacher shall not accrue seniority credit during the time of a leave of absence pursuant to this section, *except that a teacher at a community college or state university may accrue seniority credit during the leave, consistent with the conditions of the collective bargaining agreement.*”



Amend the title as follows:

Page 1, line 4, after "board;" insert "allowing teachers at a community college or state university to accrue seniority during a leave of absence;"

Page 1, line 5, delete "and"

Page 1, line 5, after "136.13" insert "; and 136.88, Subdivision 5"

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. 1635: A bill for an act relating to education; eliminating a requirement that school districts submit separate corrections of all auditor adjustments; amending Minnesota Statutes 1980, Section 121.908, Subdivision 3.

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 14, before "the" insert "*material difference in*"

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. 1812: A bill for an act relating to education; allowing a school district flexibility in scheduling hours and days of attendance; requiring state board approval; amending Minnesota Statutes 1980, Section 124.19, by adding a subdivision.

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

Page 1, line 12, before the period, insert "*during the learning year*"

Page 1, line 17, after "4," delete "a" and insert "any"

Page 1, line 17, after "district" insert "*, including a district*".

Page 1, line 18, after "121.507" insert a comma

Page 1, line 20, delete "*in any manner approved by the state board*"

Page 1, line 20, before "number" insert "*required*"

Page 1, line 22, delete "*instructional hours prescribed*" and insert "*number specified*"

Page 1, line 23, delete "*times 175 days*"

Amend the title as follows:

Page 1, line 2, after "education;" insert "encouraging school districts to make efficient and effective use of the learning year;"

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. 1721: A bill for an act relating to education; changing certain notification dates for school districts that educate nonresident pupils; providing that districts of residence are not liable for any billings received after a certain date; amending Minnesota Statutes 1981 Supplement, Section 124.2129, Subdivision 3.

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

Page 1, line 18, reinstate everything after the period

Page 1, lines 19 to 22, reinstate the stricken language

Page 1, line 21, strike "October" and insert "August"

Page 1, lines 22 to 24, delete the new language

Amend the title as follows:

Page 1, line 5, after "billings" insert "if notification is"

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

Mr. Hughes from the Committee on Education, to which was referred

S.F. No. 1698: A bill for an act relating to education; removing the requirement of commissioner of education's approval when the proceeds of the capital expenditure levy are used to rent or lease buildings for school purposes; removing general procedures requiring and governing commissioner of education's approval of contracts for rental of school rooms, buildings or other facilities; amending Minnesota Statutes 1980, Section 123.78, Subdivision 1; Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 11a; repealing Minnesota Statutes 1980, Section 123.37, Subdivisions 3 to 14.

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

Page 2, line 32, reinstate the stricken "acquire" and delete "purchase"

Page 3, line 1, reinstate the stricken "acquisition" and delete "purchase"

Page 3, line 3, reinstate the stricken "acquisition" and delete "purchase"

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

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

S.F. No. 1715: A bill for an act relating to the city of Minneapolis; permitting the city to change the name of the housing and redevelopment authority; permitting the transfer of certain employees to employment of the housing and redevelopment authority; establishing terms for transfer of the employees; permitting certain employees to purchase service credit from the Minneapolis employees retirement fund; amending Laws 1980, Chapter 595, Section 2, Subdivision 1 and Section 3, by adding a subdivision.

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

Page 1, after line 13, insert:

“Section 1. Laws 1969, Chapter 937, Section 1, Subdivision 1, as amended by Laws 1973, Chapter 132, Section 1, Laws 1974, Chapter 105, Section 1, Laws 1978, Chapter 652, Section 1, and Laws 1980, Chapter 448, Section 1, is amended to read:

Section 1. [MINNEAPOLIS, CITY OF; PERSONNEL.]

Subdivision 1. Notwithstanding any provisions of the Minneapolis city charter, veterans preference act, or civil service rule, law, or regulation to the contrary, the positions referred to in subdivisions 2 to & 18 of this section shall be in the unclassified service of the city of Minneapolis, and any person presently holding or who shall hereafter be appointed to any of such positions shall serve at the pleasure of the appointing authority indicated in the respective subdivision. Except as herein otherwise provided such persons shall be eligible for the same employee benefits as persons in the classified service.

Sec. 2. Laws 1969, Chapter 937, Section 1, is amended by adding subdivisions to read:

*Subd. 9. The city coordinator of the city of Minneapolis may appoint a person to the following positions to perform the duties and services he may direct:*

- (a) Purchasing agent;*
- (b) Management information services director;*
- (c) Director of labor relations;*
- (d) Director of affirmative action;*
- (e) Manager of auditorium;*
- (f) Director of federal programs;*
- (g) Legislative liaison;*
- (h) Director of energy programs;*
- (i) Manager of licenses and consumer services;*
- (j) Manager, finance - city council.*

*Subd. 10. The city assessor of the city of Minneapolis may appoint a director of assessments to perform the duties and services he may direct.*

*Subd. 11. The city clerk of the city of Minneapolis may appoint an assistant city clerk to perform the duties and services he may direct.*

*Subd. 12. The civil service commission of the city of Minneapolis may appoint a civil service personnel director to perform the duties and services they may direct.*

*Subd. 13. The director, emergency communications, of the city of Minneapolis may appoint an assistant director, emergency communications to perform the duties and services he may direct.*

*Subd. 14. The city engineer of the city of Minneapolis may appoint nine public works division heads to perform the duties and services he may direct.*

*Subd. 15. The comptroller/treasurer of the city of Minneapolis may appoint an assistant comptroller/treasurer to perform the duties and services he may*

direct.

Subd. 16. The health commissioner of the city of Minneapolis may appoint seven bureau directors to perform the duties and services he may direct.

Subd. 17. The board of estimate and taxation of the city of Minneapolis may appoint an executive secretary, board of estimate and taxation, to perform the duties and services they may direct.

Subd. 18. By majority vote, the city council of the city of Minneapolis may appoint a person to the following positions to perform the duties and services they may direct:

(a) Chief engineer of the fire department. Laws 1969, Chapter 937, Section 2 shall only apply to a chief engineer appointed pursuant to this subdivision.

(b) Executive secretary, capital long range improvement committee."

Page 3, line 24, after the period, insert "The authority to make a lump sum payment or to make an agreement to make installment payments shall expire on July 1, 1983."

Page 5, line 24, after the period, insert "Sections 1 and 2 of"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "providing for positions in the unclassified service;"

Page 1, line 10, before "1980" insert "1969, Chapter 937, Section 1, Subdivision 1, as amended, and by adding subdivisions; and Laws"

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. 1732 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.
1732	1703				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1732 be amended as follows:

Page 1, line 9, delete "is" and insert "are"

Page 1, line 23, delete "electroencephalogram" and insert " electrocardiogram"

And when so amended H.F. No. 1732 will be identical to S.F. No. 1703, and further recommends that H.F. No. 1732 be given its second reading and substituted for S.F. No. 1703, 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. 1678, 1749, 1710, 1744, 1804, 1613, 1756, 1741, 1635, 1812, 1721, 1698 and 1715 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 1614, 1724, 1574 and 1732 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Davis moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1744. The motion prevailed.

Mr. Wegener moved that the name of Mr. Davis be added as a co-author to S.F. No. 1970. The motion prevailed.

Mr. Keefe moved that the name of Mr. Nelson be added as a co-author to S.F. No. 1975. The motion prevailed.

### CONFIRMATION

Mr. Olhoft moved that the report from the Committee on General Legislation and Administrative Rules, reported February 17, 1982, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Olhoft moved that the foregoing report be now adopted. The motion prevailed.

Mr. Olhoft moved that in accordance with the report from the Committee on General Legislation and Administrative Rules, reported February 17, 1982, the Senate, having given its advice, do now consent to and confirm the appointments of:

### BOARD OF THE ARTS

Anne Ehrhardt, R.R. #2, Box 90, Albert Lea, Freeborn County, effective April 13, 1981, for a term expiring the first Monday in January, 1983.

Patricia Lund, 4814 Lakeview Drive, Edina, Hennepin County, effective April 13, 1981, for a term expiring the first Monday in January, 1985.

Jean Mars, 2520 East Third Street, Duluth, St. Louis County, effective April 13, 1981, for a term expiring on the first Monday in January, 1985.

Leonard Nadasdy, 5515 Lake Sarah Heights Drive, Loretto, Hennepin County, effective April 13, 1981, for a term expiring the first Monday in January, 1985.

The motion prevailed. So the appointments were confirmed.

### 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.

### MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated the General Orders Calendar a Special Orders Calendar to be heard immediately.

### SPECIAL ORDER

S.F. No. 1687: A bill for an act relating to Ramsey county; providing for the organization, powers and duties of the Saint Paul-Ramsey Medical Center commission; permitting the issuance of revenue bonds; amending Laws 1974, Chapter 435, Section 3.14, as amended.

Mrs. Lantry moved to amend S.F. No. 1687, as follows:

Page 3, line 21, after "duties." insert "*The commission's employees are subject to the Ramsey County civil service law and the rules related to it.*"

Page 8, line 9, after "commission." insert "*The commission may purchase, hold and convey personal property and hold and convey real property in its own name. With the prior approval of the Ramsey County board of commissioners, the commission may purchase real property in its own name.*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1687 was then progressed.

### SPECIAL ORDER

### SUSPENSION OF RULES

Mr. Knoll moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 1732 and that the rules of the Senate be so far suspended as to give H. F. No. 1732, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

H.F. No. 1732: A bill for an act relating to boxing; establishing certain conditions for participation in professional matches; proposing new law coded in Minnesota Statutes, Chapter 341.

Mr. Knoll moved that the amendment made to H.F. No. 1732 by the Committee on Rules and Administration in the report adopted February 18, 1982, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Stern moved to amend H.F. No. 1732 as follows:

Page 2, line 1, delete everything after "*effective*" and insert "*March 1, 1982*"

Page 2, delete line 2

Page 2, line 3, delete everything before the period

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

H.F. No. 1732 was read the third time 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 10, as follows:

Those who voted in the affirmative were:

Belanger	Engler	Menning	Peterson, R.W.	Stern
Berghin	Frank	Merriam	Petty	Stokowski
Bernhagen	Frederickson	Moe, D. M.	Ramstad	Taylor
Bertram	Hanson	Moe, R. D.	Renneke	Tennessee
Chmielewski	Knoll	Nelson	Rued	Ulland
Dahl	Kroening	Olhoff	Schmitz	Vega
Davies	Langseth	Pehler	Setzepfandt	Waldorf
Davis	Lantry	Penny	Sikorski	Wegener
Dicklich	Lessard	Peterson, C.C.	Solon	Willet
Dieterich	Luther	Peterson, D.L.	Spear	

Those who voted in the negative were:

Ashbach	Benson	Brataas	Kamrath	Kronebusch
Bang	Berg	Frederick	Knutson	Pillsbury

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 744: A bill for an act relating to natural resources; changing and clarifying administrative provisions regarding watershed districts; increasing per diem for district managers; stating procedures for adopting rules by managers; requiring revision of certain plans every ten years; allowing cash bonds; clarifying emergency procedures; amending Minnesota Statutes 1980, Sections 105.71, Subdivision 1a, and by adding subdivisions; 106.271; 106.471, Subdivision 1; 112.35, Subdivision 19; 112.37, Subdivision 1; 112.39, Subdivision 1; 112.42, Subdivisions 3, 5 and 6; 112.43, Subdivisions 1, 3, and by adding a subdivision; 112.46; 112.47; 112.48, Subdivisions 1, 2, and 4; 112.49, Subdivisions 1 and 7; 112.58; 112.61, Subdivision 3; 112.62, Subdivision 1; 112.64; 112.65, Subdivision 2; and 112.801, Subdivision 8; and Minnesota Statutes 1981 Supplement, Section 112.53, Subdivision 1.

Mr. Hanson moved to amend S.F. No. 744 as follows:

Page 5, line 3, strike “, and” and insert “ *Managers*”

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend S.F. No. 744 as follows:

Page 12, line 13, delete the new language and insert “*over which the proposed project passes or is located,*”

Page 12, line 19, delete the new language

Page 12, line 20, delete the first “*project*”

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend S.F. No. 744 as follows:

Page 4, lines 18 to 20, delete the new language

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S.F. No. 744 as follows:

Page 2, line 9, strike everything after "or"

Page 2, strike lines 10 and 11

Page 2, line 12, strike "limits" and insert "*by at least 50 eligible voters who reside in the proposed district, other than residents*"

Page 2, line 12, strike "the" and insert "an"

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

Mr. Willet moved to amend S.F. No. 744 as follows:

Page 21, line 19, reinstate "\$10,000" and delete "\$20,000"

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

S.F. No. 744 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 0, as follows:

Those who voted in the affirmative were:

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

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

## CALENDAR

H.F. No. 1616: A bill for an act relating to counties; fixing the maximum amount of county money that may be spent by development organizations for certain county developments; amending Minnesota Statutes 1980, Section 395.08.

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 57 and nays 1, as follows:

Those who voted in the affirmative were:



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

Mr. Davies voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 233: A bill for an act relating to retirement; authorizing the repayment of a refund by certain current and former University of Minnesota, Duluth campus, employees; providing for the recomputation of certain retirement annuities.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1510: A bill for an act relating to highway traffic regulations; removing certain requirements for bug deflectors; amending Minnesota Statutes 1980, Section 169.743.

Was read the third time 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 10, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Knutson	Olhoft	Sikorski
Bang	Dicklich	Kronebusch	Pehler	Solon
Belanger	Dieterich	Langseth	Penny	Spear
Benson	Engler	Lantry	Peterson, D. L.	Stern
Berg	Frank	Lessard	Peterson, R. W.	Stokowski
Berglin	Frederickson	Lindgren	Petty	Stumpf
Bernhagen	Hanson	Merriam	Ramstad	Tennessee
Bertram	Johnson	Moe, D. M.	Renneke	Vega
Brataas	Kamrath	Moe, R. D.	Rued	Wegener
Chmielewski	Knoll	Nelson	Schmitz	

Those who voted in the negative were:

Dahl  
Davis

Kroening  
Luther

Menning  
Peterson, C. C.

Setzepfandt  
Ulland

Waldorf  
Willet

So the bill passed and its title was agreed to.

S.F. No. 1499: A bill for an act relating to motor vehicles; providing for special license plates for former prisoners of war; proposing new law coded in Minnesota Statutes, Chapter 168.

Was read the third time 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 1, as follows:

Those who voted in the affirmative were:

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

Mr. Spear voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1256: A bill for an act relating to state government; directing the commissioner of administration to obtain state office space in certain types of historically significant buildings when practical; amending Minnesota Statutes 1980, Section 16.243.

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 58 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1621: A bill for an act relating to state government; removing the geographic limitation on state and public employees' eligibility for the state employee transportation program; amending Minnesota Statutes 1981 Supple-

ment, Section 16.756, Subdivision 1a.

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

So the bill passed and its title was agreed to.

S. F. No. 709: A bill for an act relating to optometrists; authorizing the use of certain topical ocular drugs; providing for education, training and testing requirements; requiring an emergency treatment plan; requiring advice to patients to seek evaluation by physician under certain conditions; providing a penalty; amending Minnesota Statutes 1980, Section 148.57, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 148.

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

Messrs. Frederickson and Petty voted in the negative.

So the bill passed and its title was agreed to.

## INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Merriam, Lindgren, Johnson, Petty and Frederick introduced—

S.F. No. 2101: A bill for an act relating to the arts; requiring the state arts board to give special consideration to certain individuals and organizations; changing requirements for advisory committee members; requiring written reports from advisory committees to applicants for assistance; amending Minnesota Statutes 1980, Section 139.10, Subdivisions 1 and 2.

Referred to the Committee on General Legislation and Administrative Rules.

Mr. Solon introduced—

S.F. No. 2102: A bill for an act relating to the city of Duluth; providing for the size of the housing and redevelopment authority.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Pehler introduced—

S.F. No. 2103: A bill for an act relating to retirement; St. Cloud firefighters relief association; clarifying and resolving an inconsistency in prior enactments concerning medical and health insurance coverage for certain relief association members; amending Laws 1974, Chapter 382, Sections 4, Subdivision 3, as amended; and 6, Subdivision 4.

Referred to the Committee on Public Employees and Pensions.

Messrs. Engler, Frederick, Bang and Sieloff introduced—

S.F. No. 2104: A bill for an act relating to taxation; providing for conformity to federal income tax treatment of contributions to individual retirement accounts and Keogh plans and of distributions of certain utility stock; amending Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Spear and Moe, D.M. introduced—

S.F. No. 2105: A bill for an act relating to retirement; teachers' surviving dependent children benefits; joint and survivor elections by spouse; amending Minnesota Statutes 1981 Supplement, Section 354.46, Subdivisions 1 and 2.

Referred to the Committee on Public Employees and Pensions.

Mr. Engler introduced—

S.F. No. 2106: A bill for an act relating to housing and redevelopment; providing for the appointment of commissioners of multi-county authorities; amending Minnesota Statutes 1980, Section 462.428, Subdivision 2.

Referred to the Committee on Energy and Housing.

Mr. Davis introduced—

S.F. No. 2107: A bill for an act relating to education; establishing a minimum number of hours within six years for an adult farm management pro-

gram; authorizing additional instructional hours if the individual pays the cost of the instruction; amending Minnesota Statutes 1980, Section 124.572, by adding a subdivision; repealing Minnesota Statutes 1980, Section 124.572, Subdivision 9.

Referred to the Committee on Education.

Messrs. Ramstad, Pillsbury and Schmitz introduced—

S.F. No. 2108: A bill for an act relating to taxation; changing the distribution of cigarette and tobacco tax revenues; amending Minnesota Statutes 1980, Section 297.13, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Willet introduced—

S.F. No. 2109: A bill for an act relating to real estate; directing a conveyance of the state's right, title and interest in certain lands to Beltrami County.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Dicklich introduced—

S.F. No. 2110: A bill for an act relating to public welfare; establishing standards for disregarding certain income and assets in the case of totally disabled persons for purposes of receiving medical assistance; amending Minnesota Statutes 1980, Section 256B.06, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Hanson introduced—

S.F. No. 2111: A bill for an act relating to real estate; directing a conveyance of the state's right, title and interest in certain lands to Lake of the Woods County.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Hanson and Sieloff introduced—

S.F. No. 2112: A bill for an act relating to taxation; adopting certain retroactive changes in federal estate tax law; amending Laws 1981, Third Special Session Chapter 2, Article VI, Section 8.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin and Mr. Spear introduced—

S.F. No. 2113: A bill for an act relating to public welfare; providing for the establishment of a state foster care advisory council and local review boards under the jurisdiction of juvenile judges; prescribing conditions of membership and duties of board members; requiring agency cooperation; providing for the adoption of supreme court rules; setting limitations; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 260.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Menning introduced—

S.F. No. 2114: A bill for an act relating to highway traffic regulations; prescribing minimum mandatory terms in jail and other sanctions for driving while under the influence of alcohol; requiring permanent revocation of a driver's license, permit or nonresident driving privilege upon a second refusal to submit to chemical testing; authorizing limited licenses for drivers whose licenses have been revoked under the implied consent law only for travel to work; amending Minnesota Statutes 1980, Sections 169.121, by adding subdivisions; 169.123, Subdivisions 2, 4, and 9; and 169.129; Minnesota Statutes 1981 Supplement, Section 169.121, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 169; repealing Minnesota Statutes 1980, Section 169.121, Subdivisions 3 and 4.

Referred to the Committee on Judiciary.

Ms. Berglin and Mr. Spear introduced—

S.F. No. 2115: A bill for an act relating to government operations; creating the Minnesota loan guarantee agency; authorizing guarantees of mortgage-backed securities and of other securities backed by eligible loans; prescribing agency functions and duties; authorizing the issuance of capital certificates; appropriating money; proposing new law coded as Minnesota Statutes, Chapter 462D.

Referred to the Committee on Governmental Operations.

Messrs. Bertram, Menning, Schmitz, Mrs. Brataas and Mr. Benson introduced—

S.F. No. 2116: A bill for an act relating to crimes; providing mandatory minimum sentences for certain acts of criminal sexual conduct; amending Minnesota Statutes 1981 Supplement, Section 609.11, Subdivision 9; proposing new law coded in Minnesota Statutes, Chapter 609.

Referred to the Committee on Judiciary.

Messrs. Moe, D.M.; Spear; Stumpf and Knoll introduced—

S.F. No. 2117: A bill for an act relating to local government; providing for the economic development of University Avenue in the cities of Minneapolis and St. Paul; creating an authority to develop and implement transit, housing, and economic development projects; authorizing bonding; providing for a tax levy, special assessments, and eminent domain; appropriating money.

Referred to the Committee on Local Government and Urban Affairs.

Mrs. Kronebusch and Mr. Waldorf introduced—

S.F. No. 2118: A bill for an act relating to real property; providing that certain contracts and purchase agreements for the conveyance of homestead property are voidable within a specified time; proposing new law coded in Minnesota Statutes, Chapter 507.

Referred to the Committee on Judiciary.

Mrs. Brataas and Mr. Frederick introduced—

S.F. No. 2119: A bill for an act relating to state lands; providing for the conveyance of a certain building and lands of Rochester state hospital to a nonprofit corporation.

Referred to the Committee on Agriculture and Natural Resources.

Mmes. Brataas, Kronebusch, Messrs. Nelson and Spear introduced—

S.F. No. 2120: A bill for an act relating to public welfare; clarifying the scope of coverage of the severance plan for employees stationed at the Rochester state hospital; amending Laws 1981, Chapter 360, Article I, Section 2, Subdivision 5.

Referred to the Committee on Public Employees and Pensions.

Mrs. Brataas, Messrs. Frederick and Wegener introduced—

S.F. No. 2121: A bill for an act relating to Olmsted County; allowing the county recorder to extend credit for the payment of charges.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Belanger introduced—

S.F. No. 2122: A bill for an act relating to state finances; appropriating money for expenses incidental to a land exchange; providing for the exchange of certain land in Hennepin County on certain conditions.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Solon introduced—

S.F. No. 2123: A bill for an act relating to the city of Duluth; authorizing the sale of bonds to finance the purchase of certain equipment without an election.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Hanson introduced—

S.F. No. 2124: A bill for an act relating to unemployment compensation; creating an acute local unemployment benefits program; establishing eligibility for benefits; imposing duties upon the commissioner of economic security; proposing new law coded in Minnesota Statutes, Chapter 268.

Referred to the Committee on Employment.

Messrs. Davies, Tennessen, Dahl and Peterson, R. W. introduced—

S.F. No. 2125: A bill for an act relating to real property; providing that covenants, conditions, restrictions or extensions thereof annexed to a grant, devise or conveyance of land that are or become nominal shall not operate as a basis of forfeiture; removing a time limitation on the duration of covenants, conditions and restrictions; amending Minnesota Statutes 1980, Section 500.20, Subdivision 1; repealing Minnesota Statutes 1980, Section 500.20, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Moe, R.D. and Peterson, C.C. introduced—

S.F. No. 2126: A bill for an act relating to the attorney general; establishing a division of land title litigation in the office of the attorney general; proposing new law coded in Minnesota Statutes, Chapter 8.

Referred to the Committee on Governmental Operations.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Friday, February 19, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



**SEVENTY-FOURTH DAY**

St. Paul, Minnesota, Friday, February 19, 1982

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, Rev. Arnold H. Heumann.

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

Ashbach	Davis	Knoll	Olhoff	Schmitz
Bang	Dicklich	Kronebusch	Pehler	Setzepfandt
Belanger	Dieterich	Langseth	Penny	Solon
Benson	Engler	Lantry	Peterson, C.C.	Spear
Berglin	Frank	Lessard	Peterson, D.L.	Stokowski
Bernhagen	Frederick	Lindgren	Petty	Stumpf
Bertram	Frederickson	Luther	Pillsbury	Taylor
Brataas	Hanson	Menning	Purfeerst	Tennesen
Chmielewski	Hughes	Moe, D.M.	Ramstad	Vega
Dahl	Johnson	Moe, R.D.	Renneke	Wegener
Davies	Kamrath	Nelson	Rued	Willet

The President declared a quorum present.

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

**MEMBERS EXCUSED**

Messrs. Humphrey; Peterson, R.W. and Sieloff were excused from the Session of today.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received and referred to the committees indicated.

January 27, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The Minnesota State Board of Education/Vocational Education at its meeting on Tuesday, June 1, 1981, under authority granted to it by Minnesota

Statutes 1980, Section 121.16, Subdivision 1, appointed John J. Feda to the position of Commissioner of Education for the State of Minnesota. As required under provisions of Minnesota Statutes 1980, Section 15.06, the appointment has the approval of Governor Albert H. Quie. The term is co-terminus with that of the Governor as provided in the statutes; therefore, the term was effective July 15, 1981 and expires the first Monday in 1983.

The State Board of Education/Vocational Education takes great pleasure in submitting for the advice and consent of the Senate the name of John J. Feda as its appointee for the position of Commissioner of Education for the State of Minnesota for the term stated above.

Enclosed is a brief biographical summary.

(Referred to the Committee on Education.)

Sincerely,

Patricia A. Weber, President

February 17, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

As required by Minnesota Statutes 1980, Section 15.06 and Section 121.16, I hereby approve the appointment by the State Board of Education of John J. Feda to the position of Commissioner of Education for the State of Minnesota.

Commissioner Feda's appointment was effective July 15, 1981, and expires the first Monday in January, 1983.

(Referred to the Committee on Education.)

Sincerely,

Albert H. Quie, Governor

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 10: A Senate concurrent resolution relating to adjournment for more than three days.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 18, 1982

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. 1538: A bill for an act relating to peace officers; providing for appointment of peace officers, constables and deputy constables in towns;

requiring towns to notify the peace officers standards and training board before employing law enforcement officers; amending Minnesota Statutes 1980, Sections 367.03, Subdivisions 1, 2, and 3; 367.22; 367.40; Subdivisions 3 and 4; 367.41; Minnesota Statutes 1981 Supplement, Section 367.42, Subdivision 1; repealing Minnesota Statutes 1981 Supplement, Section 382.28.

Senate File No. 1538 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 18, 1982

Mr. Wegener moved that the Senate do not concur in the amendments by the House to S. F. No. 1538, 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. 776, 879, 1050, 1484, 1523, 1668 and 1786.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 18, 1982

### FIRST READING OF HOUSE BILLS

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

H.F. No. 776: A bill for an act relating to insurance; requiring private passenger vehicle insurers to disclose surcharge plans; prohibiting payment of certain claims unless notice is given to the insured; proposing new law coded in Minnesota Statutes, Chapter 65B.

Referred to the Committee on Commerce.

H.F. No. 879: A bill for an act relating to juveniles; removing certain children from definition of "delinquent child"; defining "runaway," "habitual truant," "juvenile petty offender," "juvenile alcohol or controlled substance offender"; simplifying certain pleading and notice procedures; providing hearing rights and dispositional alternatives; amending Minnesota Statutes 1980, Sections 260.015, Subdivision 5, and by adding subdivisions; 260.111, Subdivision 1; 260.121, Subdivisions 1 and 2; 260.155, Subdivision 1; and 260.173, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 260.

Referred to the Committee on Judiciary.

H.F. No. 1050: A bill for an act relating to insurance; authorizing the requiring of proof of motor vehicle or motorcycle insurance prior to the issuance of a parking permit by a governmental unit; proposing new law coded in Minnesota Statutes, Chapter 65B.

Referred to the Committee on Local Government and Urban Affairs.

H.F. No. 1484: 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 subdivisions; and 171.19.

Referred to the Committee on Judiciary.

H.F. No. 1523: A bill for an act relating to driver licensing; allowing certain reports to be made to the commissioner of public safety; proposing new law coded in Minnesota Statutes, Chapter 171.

Referred to the Committee on Judiciary.

H.F. No. 1668: A bill for an act relating to manufactured homes; requiring manufacturers and dealers of manufactured homes to be licensed and regulated by the commissioner of administration; providing for the rights and duties of owners and residents of manufactured home parks; making certain changes in the procedure for titling manufactured homes; requiring park owners to adopt storm safety plans for the protection of residents; empowering municipalities to enforce certain ordinances within manufactured home parks and recreational camping areas; clarifying the procedures to be used in the repossession of a manufactured home; clarifying certain language; prohibiting certain practices; imposing fees and penalties; providing remedies; defining terms; proposing new law coded in Minnesota Statutes, Chapter 168A; proposing new law coded as Minnesota Statutes, Chapters 327B and 327C; amending Minnesota Statutes 1980, Sections 168A.02, Subdivision 3; 327.14; 327.16, Subdivision 2; 327.20, Subdivision 1; 327.24, by adding a subdivision; 327.26; 327.27, Subdivision 2, and by adding a subdivision; 327.62, Subdivision 2; 327.63; 327.65; 327.66; 363.02, by adding a subdivision; and 566.18, Subdivisions 2, 7, and 8; repealing Minnesota Statutes 1980, Sections 327.41; 327.42; 327.43; 327.45; 327.451; 327.452; 327.46; 327.47; 327.51; 327.52; 327.53; 327.54; 327.55; 327.551; 327.552; 327.553, Subdivisions 2, 3 and 4; 327.554; 327.56; and Minnesota Statutes 1981 Supplement, Sections 327.44; 327.441; 327.55, Subdivision 1a; and 327.553, Subdivision 1.

Referred to the Committee on Judiciary.

H.F. No. 1786: A bill for an act relating to agriculture; changing certain procedures relating to fertilizers and soil and plant amendments; imposing a penalty; amending Minnesota Statutes 1980, Sections 17.713, by adding a subdivision; 17.721, Subdivision 2; and 17.728, as amended; Minnesota Statutes 1981 Supplement, Sections 17.713, Subdivisions 8, 12, 17a, and 20; 17.714, Subdivision 2; 17.716, Subdivision 6; 17.719, Subdivision 1, and by adding a subdivision; 17.721, Subdivision 1; 17.725, Subdivision 1; and 17.726; proposing new law coded in Minnesota Statutes, Chapter 17.

Referred to the Committee on Agriculture and Natural Resources.

## REPORTS OF COMMITTEES

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1821: A bill for an act relating to community corrections; clarifying and harmonizing the provisions of Minnesota Statutes relating to the administrative structure of participating counties, the composition of the corrections advisory board, the powers of probation officers, and the powers and duties of the commissioner of corrections; amending Minnesota Statutes 1980, Sections 401.01, Subdivision 2; 401.02, Subdivisions 1, 3, and 4; 401.06; 401.08, Subdivisions 1 and 2; and 401.13.

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1910: A bill for an act relating to public welfare; requiring preadmission screening for patients entering nursing homes from hospitals; requiring hospital discharge planners to attend certain preadmission screening assessments; allowing recipient choice between long term care and alternative care; modifying cost limits for alternative care; amending Minnesota Statutes 1980, Section 256B.091, Subdivisions 2, 4, and 6; and Minnesota Statutes 1981 Supplement, Section 256B.091, Subdivision 8.

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

Page 2, line 6, delete "*shall*" and insert "*may*" and after "*present*" insert "*, at the facility's request,*"

Page 2, line 9, before "*Other*" insert "*If the assessment procedure or screening team recommendation results in a delay of the individual's discharge from the acute care facility, the facility shall not be denied reimbursement or incur any other financial or regulatory penalty caused by the individual's extended length of stay.*"

Page 2, line 29, strike "*TEAM*"

Page 4, line 26, after "*exceed*" insert "*75 percent of*"

Amend the title as follows:

Page 1, line 4, delete "*requiring*" and insert "*allowing*"

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1626: A bill for an act relating to public welfare; providing for reimbursement of chiropractic services for people receiving general assistance medical care; clarifying the meaning of medically certified for purposes of eligibility for general assistance; amending Minnesota Statutes 1981 Supplement, Sections 256D.03, Subdivision 4; and 256D.05, Subdivision 1.

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

Page 4, after line 3, insert:

“Sec. 3. [SUNSET PROVISION.]

*Section 2 is repealed effective June 30, 1983. Notwithstanding the provisions of section 645.34, repeal of section 2 shall revive the corresponding section of the original law as it existed immediately before the amendment made by Laws 1981, Chapter 360, Article II, Section 36, as amended by Laws 1981, First Special Session, Chapter 4, Article IV, Section 23; provided, however, that amendments made to the statutory section amended by section 2 between the effective date of this section and June 30, 1983, shall remain effective after June 30, 1983, unless otherwise provided by law.”*

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1897: A bill for an act relating to veterans; providing for the furnishing of chiropractic care to residents of the Minnesota veterans home; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 198.

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

Page 1, line 11, delete “*spinal care*”

Page 1, after line 14, insert:

*“These services shall be provided only through the regular appropriation provided to the commissioner of veterans’ affairs.”*

Page 1, delete section 2

Amend the title as follows:

Page 1, line 4, delete “*appropriating money;*”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1713: A bill for an act relating to transportation; providing for the coordination and regulation of special transportation services; prescribing the powers and duties of the commissioner of health; providing for the administration of financial assistance by the commissioner of transportation; proposing new law coded in Minnesota Statutes, Chapter 144; repealing Minnesota Statutes 1980, Sections 174.29 and 174.30.

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 174.29, is amended to read:

174.29 [COORDINATION OF SPECIAL TRANSPORTATION SERVICE.]

Subdivision 1. [DEFINITION.] For the purpose of sections 174.29 to 174.31 "special transportation service" means motor vehicle transportation provided on a regular basis by a public or private entity or person that is designed exclusively or primarily to serve individuals who are elderly, handicapped, or disabled, or economically disadvantaged and who are unable to use regular means of transportation. Special transportation service includes but is not limited to service provided by specially equipped buses, vans, taxis, and volunteers driving private automobiles.

Subd. 2. [DIRECTION.] In order to provide more adequate access to transportation service for the elderly, handicapped and others disabled with special transportation needs and to more efficiently utilize public and private funds expended for that purpose, all state agencies that assist, provide, reimburse or regulate special transportation services shall promote, support and facilitate coordination of those services with other special services and with regular transportation services offered to the general public.

Sec. 2. Minnesota Statutes 1980, Section 174.30, is amended to read:

174.30 [OPERATING STANDARDS FOR SPECIAL TRANSPORTATION SERVICE.]

Subdivision 1. [SPECIAL DEFINITION APPLICABILITY LIMITATIONS; BY TYPE OF PROVIDER; BY SOURCE OF FUNDS.] For the purpose of this section "special transportation service" does not include *The operating standards for special transportation service adopted under this section do not apply to transportation provided by:*

- (a) A common carrier operating on fixed routes and schedules;
- (b) A taxi;
- (c) A volunteer driver using a private automobile;
- (d) A school bus as defined in section 169.01, subdivision 6; or
- (e) An emergency ambulance regulated under chapter 144.

*The operating standards adopted under this section only apply to providers of special transportation service who receive grants or other financial assistance from either the state or the federal government, or both, to provide or assist in providing that service; except that the operating standards adopted under this section do not apply to any nursing home licensed under section 144A.02, to any board and care facility licensed under section 144.50, or to any day care or group home facility licensed under sections 245.781 to 245.812 unless the facility or program provides transportation to nonresidents on a regular basis and the facility receives reimbursement, other than per diem payments, for that service under rules promulgated by the commissioner of public welfare.*

Subd. 2. [AUTHORITY TO ADOPT; PURPOSE AND CONTENT; RULEMAKING.] The commissioner of transportation shall adopt by rule standards for the operation of vehicles used to provide special transportation service which are reasonably necessary to protect the health and safety of individuals using that service. The commissioner, as far as practicable, consistent with the purpose of the standards, shall avoid adoption of standards that unduly restrict any public or private entity or person from providing special

transportation service because of the administrative or other cost of compliance.

Standards adopted under this section may include but are not limited to:

- (a) Qualifications of drivers and attendants including driver training requirements;
- (b) Safety equipment required for vehicles;
- (c) General requirements concerning maintenance of standard equipment of vehicles; and
- (d) Minimum insurance requirements.

Subd. 3. [OTHER STANDARDS; WHEELCHAIR SECUREMENT.] A special transportation service that transports individuals occupying wheelchairs is subject to the provisions of sections 299A.11 to 299A.18 concerning wheelchair securement devices. The commissioners of transportation and public safety shall cooperate in the enforcement of this section and sections 299A.11 to 299A.18 so that a single inspection is sufficient to ascertain compliance with sections 299A.11 to 299A.18 and with the standards adopted under this section.

Subd. 4. [CERTIFICATE OF COMPLIANCE.] The commissioner of transportation shall issue an annual certificate of compliance for each vehicle used to provide special transportation service which complies with the standards adopted under this section. ~~A vehicle subject to subdivision 3~~ *The commissioner shall be issued issue a certificate of compliance to a vehicle subject to subdivision 3 only if the vehicle also complies with sections 299A.11 to 299A.18. The commissioner shall provide in the rules procedures for determining compliance and issuing the certificates. The procedures may include inspection of vehicles and examination of drivers.*

Subd. 5. [RULES.] ~~The standards rules authorized under subdivision 2 and the procedures authorized by subdivision 4 this section shall be adopted by rule in accordance with chapter 15. Not later than November 15, 1979, and before proposing any rules under this section the commissioner shall: the provisions of the administrative procedures act, sections 15.041 to 15.052.~~

(a) ~~Make available a draft of the rules, a plan for enforcing the rules and a proposed budget for the necessary enforcement activities of the department for review by the standing committees on transportation in both houses of the legislature; and~~

(b) ~~Review the draft rules, enforcement plan and proposed budget with the interagency task force on coordination of special transportation service. The commissioner shall adopt the rules necessary to implement this section and commence enforcement of those rules not later than July 1, 1980.~~

Subd. 6. [PREEMPTION OF OTHER REQUIREMENTS.] Notwithstanding any other law, ordinance or resolution to the contrary, an operator of special transportation service that has been issued a current certificate of compliance under subdivision 4 for a vehicle used to provide that service ~~shall is not be required to obtain any other state or local permit, license or certificate as a condition of operating the vehicle for that purpose. This subdivision does not exempt any vehicle from the requirements imposed on vehicles generally as a~~



condition of using the public streets and highways.

Subd. 7. [ENFORCEMENT.] ~~After January 1, 1981,~~ No state agency, political subdivision or other public agency shall provide any capital or operating assistance to or reimbursement for services rendered by any operator of special transportation service unless current certificates of compliance have been issued under subdivision 4 for the vehicles used by the operator to provide the service.

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective the day following final enactment.*

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon and insert "amending"

Page 1, delete lines 5 to 8

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

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

S.F. No. 1533: A bill for an act relating to agriculture; changing Becker, Hubbard and Otter Tail Counties from area one to area four for purposes of potato promotion; amending Minnesota Statutes 1981 Supplement, Section 30.464, Subdivision 1:

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

Page 1, line 16, reinstate "Hubbard,"

Page 2, line 1, delete "Hubbard,"

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

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

S.F. No. 1566: A bill for an act relating to the environment; expediting the receipt of federal moneys for emergency response to hazardous waste releases; expediting the variance issuance procedures of the pollution control agency; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; and 116.07, Subdivision 5.

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

Page 2, line 11, delete "as amended"

Page 2, delete line 12

Page 2, line 13; delete "sections" and insert "42 U.S.C. Sections"

Page 2, line 18, strike "the requirements of"

Page 2, strike line 19

Page 2, line 20, strike "it may by regulation prescribe" and insert "its rules"

as provided in section 15.0412, subdivision 1a,"

Page 2, line 21, before "promote" insert "to"

Page 2, line 29, after the period, insert "The variance rules shall provide for notice and opportunity for hearing before a variance is granted."

Page 2, line 30, strike "No" and insert "A"

Page 2, line 32, strike "shall" and insert "may" and after "variances" insert "after notice and public hearing"

Page 2, line 33, strike "law,"

Page 2, line 36, strike ", except after notice and public"

Page 3, line 1, strike "hearing"

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

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

S.F. No. 1602: A bill for an act relating to animals; eliminating certain licensing and registration requirements; repealing Minnesota Statutes 1980, Section 35.695.

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

Mr. Stumpf from the Committee on Elections and Reapportionment, to which was referred

S.F. No. 2061: A bill for an act relating to elections; removing expenditure limits for campaigns for certain offices; amending Minnesota Statutes 1980, Section 210A.22.

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

Page 1, line 9, strike "EXPENDITURES, LIMIT" and insert "DISBURSEMENTS, DEDUCTIBILITY"

Page 1, lines 10 to 25, strike the old language

Page 2, strike lines 1 to 3

Page 2, line 4, strike "(b)"

Page 2, line 4, strike "authorized in this section"

Page 2, line 5, strike "for elective office"

Amend the title as follows:

Page 1, line 2, delete "fixing" and insert "removing"

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

Mr. Stumpf from the Committee on Elections and Reapportionment, to which was referred

S.F. No. 1752: A bill for an act relating to elections; recodifying municipal

elections law; amending Minnesota Statutes 1980, Sections 205.02; 205.07, Subdivision 1; 205.13, as amended; 205.16; 205.17, as amended; 205.20, as amended; and 205.84; Minnesota Statutes 1981 Supplement, Section 205.10; proposing new law coded in Minnesota Statutes, Chapter 205; repealing Minnesota Statutes 1980, Sections 205.021; 205.04; 205.11, Subdivisions 1, 2, 3, 4 and 5; 205.14, Subdivisions 1, 2 and 3; 205.18; and 205.19; and Minnesota Statutes 1981 Supplement, Sections 205.03; 205.10; 205.11, Subdivision 4a; 205.121; 205.14, Subdivision 4; and 205.15.

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

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

S.F. No. 1535: A bill for an act relating to state lands; providing for the transfer of ownership to meet donors' intent.

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

Delete everything after the enacting clause and insert:

“Section 1. [LAND TRANSFER.]

*The commissioner of administration shall convey that parcel of land consisting of the tracts described in clauses (a), (b) and (c) to the Mankato State University Foundation Inc., for not less than 20 percent of the appraised value of the entire parcel as determined by the commissioner pursuant to Minnesota Statutes, Section 94.10, Subdivision 1. The sale may be made on the terms provided in Minnesota Statutes, Section 94.11. The tract shall be conveyed by instruments approved by the attorney general.*

(a) That tract of land described as:

*All that part of the Southwest quarter of Section 20, Township 108 North, Range 26 West described as:*

*Commencing at the West quarter corner of Section 20, thence South 0 degrees 26 minutes 49 seconds East (assumed bearing) along the West line of Section 20, a distance of 387.25 feet to the point of beginning; thence continuing South 0 degrees 26 minutes 49 seconds East along said West line, 594.75 feet; thence North 89 degrees, 59 minutes 12 seconds East and parallel with the East-West quarter line of Section 20, a distance of 696.85 feet; thence North 37 degrees 04 minutes 42 seconds East, 855.50 feet; thence South 34 degrees 53 minutes 30 seconds East, 831.95 feet to a point on the South line of the North 982 feet of the Southwest quarter of Section 20; thence North 89 degrees 59 minutes 12 seconds East and parallel with the East-West quarter line of Section 20, a distance of 563.53 feet; thence North 0 degrees 26 minutes 49 seconds West and parallel with the West line of Section 20, a distance of 982.00 feet to a point on the East-West-quarter line of Section 20; thence South 89 degrees 59 minutes 12 seconds West along said quarter line, 1777.15 feet; thence South 0 degrees 26 minutes 49 seconds East and parallel with the West line of Section 20, a distance of 205.85 feet; thence South 89 degrees 59 minutes 12 seconds West and parallel with the East-West quarter line of Section 20, a distance of 293.60 feet; thence South 0 degrees 26 minutes 49 seconds East and parallel with the West line of Section 20, a distance of 181.40 feet; thence South 89*

*degrees 59 minutes 12 seconds West and parallel with the East-West quarter line of Section 20, a distance of 181.40 feet to the point of beginning.*

*(b) Subdivision 3.1. A tract of land situate in the North 60 acres of the SW 1/4 of Sec. 20-108-26, described as follows, to-wit: Beginning at the Northwest corner of the SW 1/4 of said Section; thence East on the East and West quarter line of said Section, 475 feet; thence South parallel with the West line of said Section, 205.85 feet; thence West parallel with said East and West quarter line, 293.6 feet; thence South 181.4 feet; thence West parallel with said quarter line, 181.4 feet to the West line of said Section 20; thence North on said line, 387.25 feet to the point of beginning, containing 3 acres, more or less.*

*(c) Subdivision 3.2. Beginning at a point 982 feet South of the East and West 1/4 line and 970.10 feet West of the North and South 1/4 line of Section 20, Township 108 North, Range 26 West; thence North 35 degrees, 7 minutes West 831.95 feet; thence South 36 degrees, 52 minutes West, 855.5 feet; thence East parallel with the East and West 1/4 line of said Section 991.84 feet to the point of beginning, containing 7.74 acres, more or less.*

**Sec. 2. [EFFECTIVE DATE.]**

*This act is effective the day following final enactment."*

Amend the title as follows:

Page 1, line 3, delete "to meet donors' intent" and insert "of certain state land to the Mankato State University Foundation"

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. 1766: A bill for an act relating to taxation; making technical corrections and administrative changes to the income tax and property tax refund; amending Minnesota Statutes 1980, Sections 290.012, Subdivision 2; 290.02; 290.03; 290.06, Subdivisions 9 and 9a; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivision 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.36; 290.45, Subdivision 1; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.53, by adding a subdivision; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivision 13; 290.93, Subdivision 9; 290.936; 290A.11, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivisions 20 and 27; 290.05, Subdivisions 1 and 4; 290.075; 290.081; 290.09, Subdivisions 2, 4, and 15; 290.091; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.18, Subdivisions 1 and 2; 290.21, Subdivision 3; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.92, Subdivisions 2a, 5, 5a, and 6; 290.93, Subdivisions 1 and 10; 290.9725; 290.974; 290A.03, Subdivisions 3 and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 290; repealing Minnesota Statutes 1980, Sections 62E.03, Subdivision 2; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2,

4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.973; and Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6; 290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; and 290.971, Subdivision 7.

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

Page 2, line 3, after "20," insert "as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 2,"

Page 3, line 22, after the second comma, insert "and as amended by sections 302(b) and 501 to 509 of Public Law Number 97-34,"

Page 3, line 27, after "sales)" insert "and sections 501 to 507, of the Economic Recovery Tax Act of 1981, Public Law Number 97-34"

Page 5, lines 5 to 8, reinstate the stricken language

Page 5, line 9, reinstate everything except the stricken "either"

Page 5, lines 10, 12, 14, 17, 22, 26 and 35, reinstate the stricken language and delete the new language

Page 6, line 2, reinstate the stricken "(16)" and delete the rest of the line

Page 6, delete lines 3 and 4, and insert "For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981, the amount allowed under section 167 of the Internal Revenue Code;"

Page 6, lines 5, 18, 22, 25, and 29, reinstate the stricken language and delete the new language

Page 6, line 12, delete "50" and insert "40"

Page 6, line 28, delete "and"

Page 7, line 2, after "association" insert "; and

(22) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of section 179 property within the meaning of the Internal Revenue Code of 1954, the amount allowed as a deduction under section 179 of the Internal Revenue Code; and

(23) losses from the business of mining as defined in section 290.05, subdivision 1, clause (a), which is not subject to the Minnesota income tax"

Page 7, line 14; delete "50" and insert "60 40"

Page 8, lines 26 to 36, reinstate the stricken language and delete the new language

Page 9, lines 6, 11, 18, 22 and 30, reinstate the stricken language and delete the new language

Page 10, lines 2, 5, 9, 11, 13 and 26, reinstate the stricken language and

delete the new language

Page 10, line 20, delete "(19)" and insert "(20)"

Page 10, line 27, delete "(20)" and insert "(21)"

Page 10, line 29, after "25" insert ";

(23) (22) Interest earned on a contract for deed entered into for the purchase of property for agricultural use if the rate of interest set in the contract is no more than eight percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property purchased under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(24) (23) For the taxable year beginning after December 31, 1980, but before January 1, 1982, an amount equal to 85 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. For the taxable year beginning after December 31, 1981 but before January 1, 1983, 83 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. The depreciation adjustments made to basis in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981 shall be the depreciation adjustments made for federal income tax purposes under the Internal Revenue Code of 1954, as amended through December 31, 1981. Adoption of this provision shall not be construed as indicating the intent of the legislature to enact provisions authorizing amortization of the amount of depreciation not excludable under this clause; ~~and~~

(25) (24) For taxable years beginning after December 31, 1980 but before January 1, 1983, an amount equal to the deduction allowed under section 179 of the Internal Revenue Code of 1954 as amended through December 31, 1981; *and*

(25) *income from the business of mining as defined in section 290.05, subdivision 1, clause (a), which is not subject to the Minnesota income tax"*

Page 21, line 23, after "state" insert "or a province or territory of Canada"

Pages 22 to 24, delete section 13

Page 28, line 15, after the comma, insert "as amended by Laws 1981, Third

## Special Session Chapter 2, Article III, Section 9,"

Page 28, line 17, delete "(a)"

Page 28, delete lines 34 to 36

Page 29, delete lines 1 and 2

Page 29, line 3, delete "(3)" and insert "(2)"

Page 29, line 5, delete "(4)" and insert "(3)"

Page 29, line 8, delete "(5)" and insert "(4)"

Page 29, line 12, delete "(6)" and insert "(5)"

Page 29, line 17, delete "(7)" and insert "(6)"

Page 29, line 21, delete "(8)" and insert "(7)"

Page 29, line 21, after "individual" insert ", or an estate or trust,"

Page 30, delete lines 5 to 20

Page 32, delete lines 20 to 22

Page 44, delete lines 29 to 36

Page 45, delete lines 1 to 4

Page 59, line 26, reinstate the stricken language and delete the new language

Page 67, line 8, strike "section" and insert "sections"

Page 67, line 8, after "290.61" insert "or 290A.17"

Page 67, line 9, after "necessary," insert "(1)"

Page 67, line 11, after "documents" insert ", or (2) employ a vendor for the purpose of obtaining the vendor's services, an example of which is the preparation of income tax return labels"

Page 86, line 16, reinstate the stricken language and delete the new language

Page 87, line 13, strike "mr" and insert "or"

Page 89, after line 22, insert:

"Sec. 68. Minnesota Statutes 1981 Supplement, Section 270.75, Subdivision 4, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 1, is amended to read:

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 ~~20~~ 12 percent per annum ~~beginning February 1, 1982.~~ For taxable years beginning after December 31, 1981, the amount in lieu of interest shall be determined at the rate of 20 percent per annum. For taxable years beginning after December 31, 1982, the amount in lieu of interest for that taxable year shall be the amount determined in subdivision 5 for January 1 on which begins the taxable year or precedes the beginning of the taxable year.

Sec. 69. Minnesota Statutes 1981 Supplement, Section 270.75, Subdivision 5, as amended by Laws 1981, Third Special Session Chapter 2, Article III,

Section 1, is amended to read:

Subd. 5. The rates of interest or amount in lieu of interest contained in subdivisions 1 to 4 shall be adjusted by the commissioner of revenue not later than October 15 of 1982 and any year thereafter if the adjusted prime rate charged by banks during September of that year, rounded to the nearest full percent, is at least a full percentage point more or less than the interest rate which is then in effect. The adjusted rate of interest or amount in lieu of interest shall be equal to the adjusted prime rate charged by banks, rounded to the nearest full percent, and shall become effective on January 1 of the immediately succeeding year *except as provided in subdivision 4*. For purposes of this subdivision, the term "adjusted prime rate charged by banks" means the average predominant prime rate quoted by commercial banks to large businesses, as determined by the Board of Governors of the Federal Reserve System.

Sec. 70. Minnesota Statutes 1980, Section 290.032, Subdivision 5, is amended to read:

Subd. 5. An amount *not to exceed \$10,000 which is* distributed to an individual as severance pay upon discontinuation of the individual's employment due to termination of business operations by the individual's employer may be treated as a lump sum distribution according to the provisions of this section *if it is paid as a lump sum*. For the payment to be treated as a lump sum distribution under this subdivision, the termination of the employer's business operation at that site must be reasonably likely to be permanent and to involve the discharge within a period of one year of at least 75 percent of the persons employed by that employer at that site. *This subdivision shall not apply when the employer's business operation at that site is terminated because the business is sold to another person or corporation who will continue operations at that site and the individual is employed by the new person or corporation*. For the purpose of this subdivision, "severance pay" shall mean an amount received for the cancellation of an employment contract or a collectively bargained termination payment in the nature of a substitute for income which would have been earned for personal services to be rendered in the future.

The minimum distribution allowance provided in sections 402 (e)(1)(C) and (D) of the Internal Revenue Code of 1954, as amended through December 31, 1979, shall not apply to the computation allowed under this subdivision.

Sec. 71. Laws 1981, Third Special Session Chapter 2, Article III, Section 6, Subdivision 3, is amended to read:

Subd. 3. [LIMITATION.] The credit for the taxable year shall not exceed \$300,000 or ten percent of the liability for tax, whichever is less. "Liability for tax" for purposes of this section means the tax imposed under this chapter for the taxable year reduced by the sum of the credits allowed under section 290.06, except the credit allowed under section 290.06, subdivision 13.

If the credit determined under subdivision 2 exceeds this limitation, the excess shall be a credit carryback to each of the three preceding taxable years and a credit carryover to each of the seven succeeding taxable years, provided the aggregate of the credit for the taxable year and any carryover and carryback credits shall not exceed \$300,000 or ten percent of the liability for tax, whichever is less. The entire amount of the excess unused credit for the taxable year



shall be carried first to the earliest of the taxable years to which the credit may be carried and then to each successive year to which the credit may be carried.

*For the purposes of sections 290.46 and 290.50, if the claim for refund relates to an overpayment attributable to a research and experimental expenditure credit carryback under this subdivision, in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period of limitation shall be that period which ends with the expiration of the 15th day of the 46th month, or the 45th month, in the case of a corporation, following the end of the taxable year in which the research and experimental expenditure credit arises which results in the carryback. In any case in which a taxpayer is entitled to a refund in a carryback year due to the carryback of a research and experimental expenditure credit, interest shall be computed only from the end of the taxable year in which the credit arises."*

Page 90, line 11, delete "13 and 20" and insert "19 and 68"

Page 90, line 12, delete "48, 52, 53, 54, 56," and insert "47, 51, 52, 53, 55,"

Page 90, line 13, delete "58, and 60" and insert "57, and 59"

Page 90, line 13, delete "47 and 55" and insert "46 and 54"

Page 90, line 15, delete "46, 51, 57, 59, 65, and 67" and insert "45, 50, 56, 58, 64, 66, and 69"

Page 90, line 16, delete "68" and insert "67"

Page 90, line 18, delete "66" and insert "65"

Page 90, line 20, delete "43" and insert "42"

Page 90, line 25, delete "64" and insert "63"

Page 90, line 27, delete "64" and insert "63"

Page 90, line 29, after the period, insert "*The change in section 1, clause (b) (2), is effective for the sale or other disposition of property after June 30, 1982.*"

Renumber the sections in sequence and correct any internal references

Amend the title as follows:

Page 1, line 5, after "290.03;" insert "290.032, Subdivision 5;"

Page 1, line 16, after "Sections" insert "270.075, Subdivisions 4 and 5, as amended;"

Page 1, line 16, after "20" insert ", as amended,"

Page 1, line 18, delete "2,"

Page 1, line 18, after "290.091" insert ", as amended"

Page 1, line 27, after "1;" insert "Laws 1981, Third Special Session Chapter 2, Article III, Section 6, Subdivision 3;"

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

adopted.

## SECOND READING OF SENATE BILLS

S.F. Nos. 1821, 1910, 1713, 1533, 1566, 1602, 2061, 1752, 1535 and 1766 were read the second time.

## MOTIONS AND RESOLUTIONS

Ms. Berglin moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 1589. The motion prevailed.

Mr. Waldorf moved that the name of Mr. Dahl be added as a co-author to S.F. No. 2058. The motion prevailed.

Mr. Spear moved that the name of Mr. Bertram be added as a co-author to S.F. No. 2105. The motion prevailed.

Mr. Tennesen moved that the name of Mr. Ashbach be added as a co-author to S.F. No. 1963. The motion prevailed.

Mr. Solon moved that the name of Mr. Wegener be added as a co-author to S.F. No. 2123. 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, Merriam, Johnson and Dicklich introduced—

S.F. No. 2127: A resolution memorializing the President and Congress of the United States to take immediate steps to curb the sources of acid rain.

Referred to the Committee on Rules and Administration.

Mr. Spear introduced—

S.F. No. 2128: A bill for an act relating to alcoholic beverages; extending the on-sale closing hour to three a.m.; amending Minnesota Statutes 1980, Sections 340.034, Subdivision 1; and 340.14, Subdivision 1; Minnesota Statutes 1981 Supplement, Section 340.14, Subdivision 5.

Referred to the Committee on Commerce.

Mr. Olhoft introduced—

S.F. No. 2129: A bill for an act relating to state lands; authorizing the sale of a certain lakeshore lot in Douglas County.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Chmielewski introduced—

S.F. No. 2130: A bill for an act relating to statutes; clarifying certain terms; proposing new law coded in Minnesota Statutes, Chapter 645.

Referred to the Committee on Governmental Operations.

Messrs. Olhoft, Bertram, Sieloff, Chmielewski and Keefe introduced—

S.F. No. 2131: A bill for an act relating to health; health maintenance organizations; authorizing health maintenance organizations to exclude from coverage under health maintenance contracts health services objected to by certain parties on the grounds of conscience; amending Minnesota Statutes 1980, Section 62D.05, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Schmitz introduced—

S.F. No. 2132: A bill for an act relating to agriculture; specifying the qualifications of private grain inspectors; proposing new law coded in Minnesota Statutes, Chapter 17B.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Lindgren introduced—

S.F. No. 2133: A bill for an act relating to retirement; Richfield firefighters relief association; eliminating various obsolete special law provisions; validating certain prior payments or actions; amending Extra Session Laws 1961, Chapter 28, Section 14; repealing Extra Session Laws 1961, Chapter 28, Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13; and Laws 1963, Chapter 464.

Referred to the Committee on Public Employees and Pensions.

Mr. Davis introduced—

S.F. No. 2134: A bill for an act relating to taxation; property; granting an exemption from the general levy limits for cities and counties with high population growth; proposing new law coded in Minnesota Statutes, Chapter 275.

Referred to the Committee on Taxes and Tax Laws.

Mr. Johnson introduced—

S.F. No. 2135: A bill for an act relating to taxation; establishing state paid tax credits for designated commercial and industrial properties in economically distressed areas; exempting certain equipment from sales tax; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 15a; 297A.25, as amended; proposing new law coded in Minnesota Statutes, Chapter 273.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sikorski introduced—

S.F. No. 2136: A bill for an act relating to insurance; increasing the percentage of the state comprehensive health plan premium that may be used to pay certain fees and expenses; amending Minnesota Statutes 1980, Section 62E.11, Subdivision 3.

Referred to the Committee on Commerce.

Mr. Nelson introduced—

S.F. No. 2137: A bill for an act relating to municipal industrial development; authorizing municipalities to waive certain property taxes; amending

Minnesota Statutes 1981 Supplement, Section 474.03.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Peterson, C.C. and Hanson introduced—

S.F. No. 2138: A bill for an act relating to highway traffic regulations; authorizing ambulances equipped with studded tires to use the public highways between certain dates; amending Minnesota Statutes 1980, Section 169.72, Subdivision 1.

Referred to the Committee on Transportation.

Mr. Johnson introduced—

S.F. No. 2139: A bill for an act relating to Lake County; providing conditions for the issuance of bonds for a county jail.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Solon, Nelson, Lindgren, Mrs. Brataas and Mr. Purfeerst introduced—

S.F. No. 2140: A bill for an act relating to insurance; requiring the commissioner of public welfare to purchase a group medical assistance policy for eligible persons; establishing bid specifications; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 62E.

Referred to the Committee on Commerce.

Mr. Peterson, R.W. introduced—

S.F. No. 2141: A bill for an act relating to local government; allowing towns and cities to set license fees for cigarette sellers; amending Minnesota Statutes 1980, Section 461.12.

Referred to the Committee on Local Government and Urban Affairs.

### COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Moe, R.D. moved that the following members be excused for a meeting of the Committee on Energy and Housing at 10:00 a.m.

Messrs. Kroening; Belanger; Ms. Berglin; Messrs. Bernhagen; Dahl; Mrs. Kronebusch; Messrs. Menning; Moe, D.M.; Olhoft; Mrs. Stokowski; Messrs. Ulland and Waldorf. The motion prevailed.

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

### MOTIONS AND RESOLUTIONS

Mr. Johnson moved that the names of Messrs. Wegener and Setzepfandt be added as co-authors to S.F. No. 2139. The motion prevailed.

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Wednesday, February 24, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**SEVENTY-FIFTH DAY**

St. Paul, Minnesota, Wednesday, February 24, 1982

The Senate met at 2:00 p.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. Theoren Smith.

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	Taylor
Bernhagen	Hughes	Menning	Purfeerst	Tennessee
Bertram	Humphrey	Merriam	Ramstad	Ulland
Brataas	Johnson	Moe, D.M.	Renneke	Vega
Chmielewski	Kamrath	Moe, R.D.	Rued	Waldorf
Dahl	Keefe	Nelson	Schmitz	Wegener
Davies	Knutson	Olhoft	Setzepfandt	Willet
Davis	Kroening	Pehler	Sicloff	

The President declared a quorum present.

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

**MEMBERS EXCUSED**

Messrs. Hanson and Knoll were excused from the Session of today. Mr. Sieloff was excused from the Session of today from 2:00 to 2:30 p.m. Mr. Stumpf was excused from the Session of today until 3:30 p.m.

**REPORTS OF COMMITTEES**

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 2036 and 2037 and reports pertaining to appointments. The motion prevailed.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1700: A bill for an act relating to transportation; adding a new route

to the trunk highway system in substitution of an existing route; discontinuing and removing a route from the trunk highway system; providing for the disposal of surplus property; exempting the state transportation plan from the provisions of the administrative procedure act; requiring driver qualifications and safety requirements for certain motor carriers; regulating building movers and establishing fees; allowing expenditures from the state airports fund for educational programs to promote interest and safety in aeronautics; amending Minnesota Statutes 1980, Sections 161.41; 174.03, Subdivisions 1 and 2; 360.015, Subdivision 2; 360.017, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 221.011, Subdivision 22; and 221.81; proposing new law coded in Minnesota Statutes, Chapter 221.

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

Page 2, line 2, after "*Section 161.115*" insert a period and delete the first "*and*"

Page 2, line 3, delete "*said*" and insert "*that*"

Page 2, line 5, after "*statutes*" insert a comma

Page 2, line 7, after "*Statutes*" insert a comma

Page 2, line 24, strike "*he*" and insert "*the commissioner*"

Page 2, line 27, strike "*TRANSFERENCE*" and insert "*DISPOSITION*"

Page 2, line 27, before "*The*" insert "*The commissioner shall administer all aspects of the disposition of property declared to be surplus under this section.*"

Page 2, line 28, after "*shall*" insert "*first*"

Page 2, line 31, delete "*and*" and insert "*. The commissioner*"

Page 2, line 31, after "*may*" insert "*then*"

Page 2, line 32, before "*property*" insert "*surplus*"

Page 2, line 32, strike the comma

Page 2, line 33, strike "*government*" and insert "*this state*"

Page 2, line 33, after "*States*" insert "*government*"

Page 2, line 34, strike "*therefor*"

Page 2, line 34, strike "*the*" and insert "*an*"

Page 2, line 34, strike "*so determined*" and insert "*equal to the value of the surplus property*"

Page 2, line 36, after "*may*" insert "*also*"

Page 2, line 36, delete "*any*" and insert "*the surplus*"

Page 2, line 36, delete everything after "*property*"

Page 3, delete lines 1 to 3 and insert "*under the competitive bidding provisions of chapter 16 if no state agency or political subdivision of this state offers to purchase the surplus property for its determined value.*"

Page 3, line 5, before "*Money*" insert "*The commissioner shall deposit*"

all" and strike "shall be deposited"

Page 3, line 6, strike "and" and insert "to be"

Page 3, after line 7, insert:

"Sec. 4. Minnesota Statutes 1980, Section 169.09, Subdivision 13, is amended to read:

Subd. 13. [ACCIDENT REPORTS CONFIDENTIAL.] All written reports and supplemental reports required *under this section* to be provided to the department of public safety ~~by this section~~ shall be without prejudice to the individual so reporting and shall be for the confidential use of the department of public safety, ~~the Minnesota department of transportation,~~ and *other* appropriate *state*, federal, county and municipal governmental agencies for accident ~~prevention~~ *analysis* purposes, except that the department of public safety or any law enforcement department of any municipality or county in this state shall, upon written request of any person involved in an accident or upon written request of the representative of his *or her* estate, ~~his~~ surviving spouse, or one or more ~~of his~~ surviving next of kin, or a trustee appointed pursuant to section 573.02, disclose to the requester, his *or her* legal counsel or a representative of his *or her* insurer any information contained therein except the parties' version of the accident as set out in the written report filed by the parties or may disclose identity of a person involved in an accident when the identity is not otherwise known or when the person denies ~~his~~ presence at the accident. No report shall be used as evidence in any trial, civil or criminal, arising out of an accident, except that the department of public safety shall furnish upon the demand of any person who has, or claims to have, made a report, or, upon demand of any court, a certificate showing that a specified accident report has or has not been made to the department of public safety solely to prove a compliance or a failure to comply with the requirements that the report be made to the department of public safety. Disclosing any information contained in any accident report, except as provided herein, is unlawful and a misdemeanor.

Nothing herein shall be construed to prevent any person who has made a report pursuant to this chapter from testifying in any trial, civil or criminal, arising out of an accident, as to facts within ~~his~~ *the person's* knowledge. It is intended by this subdivision to render privileged the reports required but it is not intended to prohibit proof of the facts to which the reports relate. Legally qualified newspaper publications and licensed radio and television stations shall upon request to a law enforcement agency be given an oral statement covering only the time and place of the accident, the names and addresses of the parties involved, and a general statement as to how the accident happened without attempting to fix liability upon anyone, but said legally qualified newspaper publications and licensed radio and television stations shall not be given access to the hereinbefore mentioned confidential reports, nor shall any such statements or information so orally given be used as evidence in any court proceeding, but shall merely be used for the purpose of a proper publication or broadcast of the news.

This subdivision shall supersede other state law relating to data privacy or confidentiality with regard to accident reports. When these reports are released for accident ~~prevention~~ *analysis* purposes the identity of any involved person shall not be revealed. Data contained in these reports shall only be used for

accident ~~prevention~~ analysis purposes, except as otherwise provided by this subdivision. Accident reports and data contained therein which may be in the possession or control of departments or agencies other than the department of public safety shall not be discoverable under any provision of law or rule of court.

*The department may charge authorized persons a \$5 fee for a copy of an accident report.*

Sec. 5. Minnesota Statutes 1980, Section 169.80, Subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] It is a misdemeanor for a person to drive or move, or for the owner to cause or knowingly permit to be driven or moved, on a highway a vehicle or vehicles of a size or weight exceeding the limitations stated in sections 169.80 to 169.88, or otherwise in violation of sections 169.80 to 169.88, and the maximum size and weight of vehicles as prescribed in sections 169.80 to 169.88 shall be lawful throughout this state, and local authorities shall have no power or authority to alter these limitations except as express authority may be granted in sections 169.80 to 169.88.

When all the axles of a vehicle or combination of vehicles are weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight of the vehicle or combination of vehicles so weighed.

When each of the axles of any group that contains two or more consecutive axles of a vehicle or combination of vehicles have been weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight on the group of axles so weighed.

When, in any group of three or more consecutive axles of a vehicle or combination of vehicles any axles have been weighed separately and two or more axles consecutive to each other in the group have been weighed together, the sum of the weights of the axles weighed separately and the axles weighed together shall be evidence of the total gross weight of the group of axles so weighed.

The provisions of sections 169.80 to 169.88 governing size, weight, and load shall not apply to fire apparatus, or to implements of husbandry temporarily moved upon a highway, or to loads of loose hay or corn stalks if transported by a horse-drawn vehicle or drawn by a farm tractor, or to a vehicle operated under the terms of a special permit issued as provided by law. For purposes of sections 169.80 to 169.88, a specialized vehicle resembling a low-slung two wheel trailer having a short bed or platform shall be deemed to be an implement of husbandry when the vehicle is used exclusively to transport implements of husbandry; and the term "temporarily moved upon a highway" shall mean a movement not to exceed 50 miles.

In addition to any other special permits authorized, an annual permit may be issued authorizing movements *on interstate highways and movements* exceeding 50 miles *on non-interstate highways* of oversize vehicles and loads when the vehicles or combination of vehicles are used exclusively to transport implements of husbandry. Annual permits are issued in accordance with the applicable provisions of section 169.86, except that the transporting vehicle or combination of vehicles may be moved at the discretion of the permittee without prior route approval from the permit issuing office of the department



of transportation if:

(a) The overall width of the transporting vehicle, including load, does not exceed 12 feet;

(b) The transporting vehicle otherwise complies with equipment requirements and length, height and weight limitations prescribed by this chapter;

(c) The movement is made after the hour of sunrise and not later than 30 minutes after sunset;

(d) The movement is not made when visibility is impaired by weather, fog or other conditions rendering persons and vehicles not clearly visible at a distance of 500 feet, or on Sundays after twelve o'clock noon, and holidays;

(e) The transporting vehicle shall display at the front and rear end of the load or vehicle a pair of flashing amber lights, as provided in section 169.59, subdivision 4, whenever the overall width of the vehicle exceeds ten feet, six inches; and

(f) The movement, if made on a trunk highway, is made on a trunk highway with a surfaced roadway width of not less than 24 feet.

The fee for an annual permit is \$24.

Sec. 6. Minnesota Statutes 1980, Section 173.02, Subdivision 2, is amended to read:

Subd. 2. "Advertising device" means any billboard, sign, notice, poster, display, or other device visible to and primarily intended to advertise and inform or to attract or which does attract the attention of operators and occupants of motor vehicles on the interstate system of highways and shall include any structure erected primarily for use in connection with the display of any such device and all lighting or other attachments used in connection therewith."

Page 4, line 12, reinstate "Upon" and after the stricken "promulgation" insert "completion"

Page 4, line 12, reinstate "of the plan"

Page 4, line 13, reinstate the stricken language

Page 4, line 34, strike the comma

Page 4, line 36, strike "clause (c)" and insert "section 10"

Page 7, after line 13, insert:

"(m) Any manufacturer, producer, dealer or distributor who, in the pursuit of business, owns and uses trucks for the purpose of transporting that person's own products, except as otherwise provided in section 10.

(n) Any person while engaged exclusively in the transportation of pulpwood, cordwood, mining timber, poles, posts, decorator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped, except as otherwise provided in section 10."

Page 7, delete lines 15 to 26 and insert:

"The exempt carriers set forth in section 221.011, subdivision 22, clauses

(m) and (n), are subject to the requirements of section 221.031 insofar as the provisions of that section apply to driver qualifications, maximum hours of service for drivers, and safety of operations and equipment. This section is applicable only to transporting vehicles licensed and registered for a gross weight of more than 10,000 pounds.”

Page 9, line 26, delete “pursuant to” and insert “under”

Page 9, line 30, strike “He” and insert “The commissioner”

Page 9, line 33, strike the comma

Page 10, lines 6 and 11, strike “He” and insert “The commissioner”

Page 10, line 8, delete “He” and insert “The commissioner”

Page 10, lines 12 and 19, strike “he” and insert “the commissioner”

Page 10, line 13, strike “and” and insert “. The commissioner shall also”

Page 10, line 15, strike “him” and insert “the commissioner”

Page 10, line 15, strike “, and” and insert “. The commissioner”

Page 10, line 16, after “report” insert “the following”

Page 10, line 16, after “agency” insert “:

(1)”

Page 10, line 17, strike “him” and insert “the commissioner”

Page 10, line 17, after “permits” strike “and” and insert “:

(2)”

Page 10, line 19, strike the comma and insert a semicolon and after “and” insert:

“(3)”

Page 10, line 26, strike “Such” and insert “The”

Page 11, after line 4, insert:

“Sec. 14. [PROHIBITION ON ESTABLISHMENT OF NEW DIVISIONS IN DEPARTMENT OF TRANSPORTATION.]

*Notwithstanding any other law to the contrary, the commissioner of transportation shall not establish any new divisions in the department of transportation.”*

Page 11, line 6, delete “. 2, 3, 4, 5, 6, 7, 9 and 10” and insert “to 14”

Page 11, line 7, delete everything after the period

Page 11, delete line 8

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert “making certain accident reports available to governmental agencies for specified purposes and authorizing a fee for copies of these accident reports; governing the movement of certain vehi-

cles on certain highways; expanding the definition of advertising device;"

Page 1, line 14, after "161.41;" insert "169.09, Subdivision 13; 169.80, Subdivision 1; 173.02, Subdivision 2;"

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1808: A bill for an act relating to public welfare; amending the community social services act; removing certain requirements related to biennial plans and the sliding fee for child care; amending Minnesota Statutes 1980, Section 256E.09, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 245.84, Subdivision 2; and 256E.03, Subdivision 2; repealing Minnesota Statutes 1981 Supplement, Section 256E.07, Subdivisions 2 and 3.

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

Page 4, after line 22, insert:

"Sec. 3. Minnesota Statutes 1981 Supplement, Section 256E.05, Subdivision 3, is amended to read:

Subd. 3. [ADDITIONAL DUTIES.] The commissioner shall also:

(a) Provide necessary forms and instructions to the counties for plan format and information;

(b) *Identify and then eliminate amend or revise repeal* the portions of all applicable department rules which mandate counties to provide specific community social services or programs, unless the state or federal law requires the commissioner to mandate a service or program; ~~in addition to notice required pursuant to section 15.0411; the commissioner shall give~~ *The commissioner shall be exempt from the rulemaking provisions of chapter 15 in amending or repealing rules pursuant to this clause. However, when the commissioner proposes to amend or repeal any rule under the authority granted by this clause, notice shall be provided by publication in the state register. When the commissioner proposes to amend a rule, the notice shall include that portion of the existing rule necessary to provide adequate notice of the nature of the proposed change. When the commissioner proposes to repeal an entire rule, he need only publish that fact, giving the exact citation to the rule to be repealed. In all cases, the notice shall contain a statement indicating that interested persons may submit comment on the proposed repeal or amendment for a period of 30 days after publication of the notice. The commissioner shall take no final action until after the close of the comment period. The commissioner's actions shall not be effective until five days after the commissioner publishes notice of adoption in the state register. If the final action is the same as the action originally proposed, publication may be made by notice in the state register that the amendment and repeals have been adopted as proposed, and by citing the prior publication. If the final action differs from the action as previously proposed in the state register, the text which differs from the original proposal shall be included in the notice of adoption together with a citation to the prior state register publication. The commissioner shall provide to all county boards separate notice of all final actions which become effective under*

*this clause, advising the boards with respect to services or programs which have now become optional, to be provided at county discretion;*

(c) Provide to the chairman of each county board, in addition to notice required pursuant to section 15.0411, timely advance notice and a written summary of the fiscal impact in writing of any proposed new rule or changes in existing rule which will have the effect of increasing county costs for community social services;

(e) (d) Provide training and other support services to county boards to assist in needs assessment, planning, implementing, and monitoring social services programs in the counties;

(d) (e) Design and implement a method of monitoring and evaluating the social services delivered within the state, and assure compliance with applicable standards, guidelines, and the county and state social services plans;

(e) (f) Annually publish a report on community social services which shall reflect the contents of the individual county reports. The report shall be submitted to the governor and the legislature with an evaluation of community social services and recommendations for changes needed to fully implement state social service policies; and

(f) (g) Request waivers from federal programs as necessary to implement sections 256E.01 to 256E.12.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 256E.07, Subdivision 3, is amended 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 4, line 34, delete "Subdivisions" and insert "Subdivision"

Page 4, line 34, delete "and 3, are" and insert "is"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "providing for identification of certain rules; exempting the commissioner from certain rulemaking procedures; providing for allocation of funds to counties; providing for notice and comment procedures with respect to proposals to amend or repeal certain rules;"

Page 1, line 7, delete "and"

Page 1, line 8, after the semicolon, insert "256E.05, Subdivision 3; and 256E.07, Subdivision 3;"

Page 1, line 9, delete "Subdivisions" and insert "Subdivision" and delete "and 3"

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

adopted.

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

S.F. No. 1625: A bill for an act relating to state lands; providing for the conveyance of certain lands to the heirs of John G. and Ruby A. Handberg.

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

Pages 1 and 2, delete section 1

Page 2, line 8, delete "for a consideration of \$50" and insert "in consideration for a 30 year lease to the state for access to and use of the boathouse located on the property,"

Page 2, line 11, before the colon, insert ", together with all buildings and improvements"

Renumber the sections in sequence

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

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

S.F. No. 1864: A bill for an act relating to the legislature; repealing the reduction in membership of the council on the economic status of women; amending Minnesota Statutes 1981 Supplement, Section 3.9222, Subdivision 2, as amended; repealing Laws 1981, Third Special Session Chapter 2, Article I, Section 8.

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

Page 2, after line 10, insert:

"Sec. 3. [APPROPRIATIONS.]

*The sum of \$3,000 is appropriated from the general fund to the council on the economic status of women for the purposes of this act. The sum is available until June 30, 1983.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "women;" insert "appropriating money;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 1791: A bill for an act relating to the joint exercise of powers between governmental units; authorizing governmental units to provide services for other governmental units; amending Minnesota Statutes 1980, Section 471.59, by adding a subdivision.

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

adopted.

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

S.F. No. 303: A bill for an act proposing an amendment to the Minnesota Constitution, Article X, adding a section; authorizing and taxing parimutuel wagering on races if authorized by law.

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

Page 1, lines 11 and 17, delete "and tax"

Page 1, lines 12 and 17, delete "wagering" and insert "betting"

Page 1, line 12, after the period, insert "*One-half of the net earnings inuring to the state from betting on horse racing shall be used exclusively for social services for compulsive gamblers and for law enforcement in the combatting of organized crime.*"

Page 1, line 18, after "law" insert "*and dedicate one-half of the state's net earnings from betting to assist compulsive gamblers and to combat organized crime.*"

Amend the title as follows:

Page 1, line 3, delete "and taxing"

Page 1, line 4, delete "wagering" and insert "betting"

Page 1, line 4, before the period, insert "; dedicating earnings to social services for compulsive gamblers and to combatting organized crime"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

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

S.F. No. 1790: A bill for an act relating to municipal planning; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; amending Minnesota Statutes 1980, Sections 462.352, Subdivision 2; 462.357, Subdivision 6; and 462.36, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 462.

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

Page 2, after line 28, insert:

"Sec. 3. Minnesota Statutes 1980, Section 462.358, Subdivision 1a, is amended to read:

Subd. 1a. [AUTHORITY.] To protect and promote the public health, safety, and general welfare, to provide for the orderly, economic, and safe development of land, to preserve agricultural lands, to promote the availability of housing affordable to persons and families of all income levels, and to facilitate adequate provision for transportation, water, sewage, storm drainage, schools, parks, playgrounds, and other public services and facilities, a municipality may by ordinance adopt subdivision regulations establishing standards,

requirements, and procedures for the review and approval or disapproval of subdivisions. The regulations may contain varied provisions respecting, and be made applicable only to, certain classes or kinds of subdivisions. The regulations shall be uniform for each class or kind of subdivision.

A municipality may by resolution extend the application of its subdivision regulations to unincorporated territory located within two miles of its limits in any direction but not in a town which has adopted subdivision regulations; provided that where two or more noncontiguous municipalities have boundaries less than four miles apart, each is authorized to control the subdivision of land equal distance from its boundaries within this area. However, if a municipality extends the application of its subdivision or zoning regulations to unincorporated territory, upon the petition of any county board or town board affected by the subdivision or zoning regulations, a joint board shall be established consisting of a three member committee with one member appointed from each of the municipal, town and county governing bodies. This joint board shall adopt zoning and subdivision regulations under sections 462.351 to 462.364 for the entire area within two miles of the city located within a town, and designate one of the governing bodies to serve as the governing body and board of appeals and adjustment for purposes of sections 462.357 and 462.358 within the area. During the time before the joint board adopts subdivision regulations, the subdivision regulations which the municipality has extended shall apply.

Page 2, line 30, after "city" insert "council"

Page 2, line 31, after "town" insert "board by resolution presented to the county auditor of the county of the affected territory"

Page 3, line 1, after the period, insert "Upon request of more than one county or town board with respect to the unincorporated area within two miles of the corporate limits of a single city, the parties may create one board rather than a separate board for each county or town, with equal membership from each affected governmental unit."

Page 4, line 14, delete "3" and insert "4"

Page 4, line 15, delete "4, and 5" and insert "5, and 6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, before "and" insert "462.358, Subdivision 1a;"

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

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

S.F. No. 1970: A bill for an act relating to local government; creating the Morrison County rural development finance authority; authorizing the establishment of a development and redevelopment program and the authorization of powers for it.

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

Page 1, delete section 1

Page 2, line 1, before "AUTHORITY" insert "MORRISON COUNTY RURAL DEVELOPMENT FINANCE" and after "AUTHORITY" insert "CREATION; DUTIES"

Page 2, line 2, after "1." insert "[AUTHORITY.]"

Page 3, lines 10 and 11, delete "with the approval of the city council of the city of Little Falls"

Page 3, line 31, delete "to 3" and insert "and 2"

Renumber the sections in sequence

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

Mr. Olhott from the Committee on General Legislation and Administrative Rules, to which was referred

H.F. No. 1637: A bill for an act relating to the standard of time, providing that the Minnesota standard of time conform to the federal standard of time; amending Minnesota Statutes 1980, Section 645.071.

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

Mr. Olhott from the Committee on General Legislation and Administrative Rules, to which was referred

S.F. No. 1873: A bill for an act relating to the state agricultural society; updating and clarifying certain powers and duties of the society; amending Minnesota Statutes 1980, Sections 37.01; 37.04, Subdivision 3; 37.05; 37.06; 37.17, subdivisions 1, 2, and by adding a subdivision; 37.18; 37.19; 37.20; 37.21; and 37.22; repealing Minnesota Statutes 1980, Section 37.23; Minnesota Statutes 1981 Supplement, Sections 37.17, Subdivision 3; and 37.27.

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

Page 1, after line 11, insert:

"Section 1. [28A.065] [LICENSE REQUIREMENTS FOR A CARNIVAL, CIRCUS, OR FAIR.]

*No person whose place of business is a carnival, circus, or fair and who holds a license pursuant to this chapter or chapter 157 shall be required to obtain any additional license or permit pursuant to the provisions of an ordinance or regulation of a political subdivision in order to engage in any aspect of food handling or to operate a restaurant.*

*This section does not exempt the person from compliance with the provisions of chapters 37 and 38, any sanitation, public health or zoning ordinance, privilege license requirements or other regulation of the fair or political subdivision having jurisdiction over the area in which the carnival, circus, or fair is conducted.*

Page 7, line 20, delete "Ramsey" and insert "any"

Page 8, after line 10, insert:



"Sec. 14. Minnesota Statutes 1980, Section 177.23, Subdivision 7, is amended to read:

Subd. 7. "Employee" means any individual employed by an employer but shall not include

(1) any individual employed in agriculture on a farming unit or operation employing less than the equivalent of two full time workers and on any given day employing no more than four employees. For the purpose of this clause, equivalent of a full time worker means 40 weeks of employment in a calendar year;

(2) an individual who has not attained the age of 18 who is employed in agriculture on a farm to perform services other than corn detasseling;

(2a) for purposes of section 177.24, an individual who has not attained the age of 18 who is employed in agriculture as a corn detasseler;

(3) any staff member employed with an organized resident or day camp licensed with the state;

(4) any individual employed in a bona fide executive, administrative, or professional capacity, or a salesman who conducts no more than 20 percent of his sales on the premises of the employer, as such terms are defined and delimited by regulations of the department;

(5) any individual who renders service gratuitously for a nonprofit organization as such terms are defined by regulations of the department;

(6) any individual who serves as an elected official for a political subdivision or who serves on any governmental board, commission, committee or other similar body, or who renders service gratuitously for a political subdivision;

(7) any individual employed by a political subdivision to provide police or fire protection services or who is employed by an entity whose principal purpose is to provide police or fire protection services to a political subdivision;

(8) any individual employed by a political subdivision who is ineligible for membership in the public employees retirement association by reason of the provisions of section 353.01, subdivision 2b, clauses (a), (b), (d), and (i);

(9) any driver employed by an employer engaged in the business of operating taxicabs;

(10) any individual engaged in babysitting as a sole practitioner;

(11) any individual employed on a ~~part-time~~ seasonal basis in a carnival, circus or fair;

(12) any individual under the age of 18 employed part-time by a municipality as part of a recreational program;

(13) any individual employed by the state as a natural resource manager 1, 2, or 3 (conservation officer);

(14) any individual in a position with respect to which the U.S. Department of Transportation has power to establish qualifications and maximum hours of service pursuant to the provisions of 49 U.S. Code, Section 304;

(15) any individual employed as a seafarer; the term "seafarer" means a

master of a vessel or any person subject to the authority, direction and control of the master including but not limited to pilots, sailors, engineers, radio operators, firefighters, watchmen, pursers, surgeons, cooks and stewards, who is exempt from federal overtime standards under 29 U.S.C. Section 213(b) (6).”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete “the state agricultural society” and insert “fairs, carnivals and circuses”

Page 1, line 2, after the semicolon, insert “clarifying the food handling license requirements applicable to fairs, carnivals and circuses; changing the exclusion from minimum wage coverage for certain fair, carnival or circus workers;”

Page 1, line 3, after “the” insert “state agricultural”

Page 1, line 7, delete “and” and after “37.22;” insert “177.23, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 28A;”

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

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

S.F. No. 1792: A bill for an act relating to towns; authorizing certain towns to exercise special powers; requiring notice; amending Minnesota Statutes 1980, Section 368.01, Subdivisions 1, 30, and by adding a subdivision.

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

Page 1, line 10, strike “in this state”

Page 1, lines 11 to 13, reinstate the stricken language

Page 1, lines 13, 14 and 15, delete the new language

Page 1, after line 18, insert:

“Sec. 2. Minnesota Statutes 1980, Section 368.01, is amended by adding a subdivision to read:

*Subd. 1a. [CERTAIN OTHER TOWNS.] Any town with a population of 1,000 or more according to the most recent federal decennial census that does not otherwise qualify pursuant to subdivision 1 to exercise the powers enumerated in this section, shall have and possess the enumerated powers upon an affirmative vote of the electors of the town at the annual town meeting.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, before the first semicolon, insert “by affirmative vote of the town electors”

Page 1, line 5, delete “a subdivision” and insert “subdivisions”

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

adopted.

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

S.F. No. 1683: A bill for an act relating to metropolitan government; providing for the allocation of certain sewage costs; amending Minnesota Statutes 1980, Section 473.517, Subdivision 2.

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

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

S.F. No. 1793: A bill for an act relating to counties; authorizing the establishment of subordinate service districts in order to provide and finance governmental services; proposing new law coded as Minnesota Statutes, Chapter 375B.

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

Page 1, lines 15 and 16, delete "*compact and contiguous*"

Page 1, line 19, after the period, insert "*The boundaries of a single subordinate service district may not embrace the entire county.*"

Page 2, line 1, after the period, insert "*A function or service to be provided shall not include a function or service which the county generally provides throughout the county unless an increase in the level of the service is to be supplied in the service district.*"

Page 2, line 14, delete "*any*" and insert "*the*"

Page 2, line 14, after "*county*" insert "*proposed for the subordinate service district*"

Page 4, line 14, after the period, insert "*A tax or service charge or a combination thereof shall not be imposed to finance a function or service in the service district which the county generally provides throughout the county unless an increase in the level of the service is to be supplied in the service district in which case, in addition to the countywide tax levy, only an amount necessary to pay for the increased level of service may be imposed.*"

Page 4, after line 33, insert:

"Sec. 11. [375B.11] [WITHDRAWAL; BY RESOLUTION OF COUNTY BOARD.]

*The county board may by resolution withdraw a subordinate service district from the provisions of this chapter and discontinue the service provided within the service district. The county board shall cause notice of its intention to withdraw the service district to be published at least once in the official newspaper at least six months before the resolution is adopted. If a joint powers agreement is a part of the subordinate service district arrangement no withdrawal shall be effective under sections 10 or 11 unless all parties to the joint powers agreement agree to the withdrawal.*

Sec. 12. [375B.12] [LOCAL LAWS SUPERSEDED.]

*A special law for a single county which authorizes the county to establish subordinate service districts or areas is hereby superseded. Any service being provided pursuant to the special law on or before the effective date of sections 1 to 13 may continue to be provided pursuant to the special law.*

Sec. 13. Minnesota Statutes 1980, Section 275.50, is amended by adding a subdivision to read:

*Subd. 7. A tax or service charge levied by the county board within a subordinate service district pursuant to sections 1 to 13 is a "special levy" and is not subject to tax levy limitations including those contained in sections 275.50 to 275.56 or any other law."*

Amend the title as follows:

Page 1, line 4, before "proposing" insert "amending Minnesota Statutes 1980, Section 275.50, by adding a subdivision;"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

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

S.F. No. 1748: A bill for an act relating to the city of Waconia; authorizing the sale of certain revenue bonds at a price less than par value.

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

Page 1, line 8, after "Sections" insert "475.54,"

Page 1, line 12, before the period, insert ", and the bonds may mature in years and amounts as determined by resolution of the Waconia city council"

Amend the title as follows:

Page 1, line 4, before the period, insert "and in an amount and with a maturity date to be determined by the governing body"

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

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

S.F. No. 1718: A bill for an act relating to the city of Minneapolis; changing limitations on housing programs in two Minneapolis development districts; amending Laws 1971, Chapter 677.

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

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

S.F. No. 1814: A bill for an act relating to the city of Maplewood; authorizing a project and the issuance of revenue bonds.

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

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

S.F. No. 1482: A bill for an act relating to local government; providing initial conditions for the establishment of charter commissions and charters; amending Minnesota Statutes 1980, Section 410.05, Subdivision 1, and by adding a subdivision.

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

Page 2, after line 21, insert:

“Sec. 3: [REPEALER.]

*Minnesota Statutes 1980, Section 410.10, Subdivision 4, is repealed.*”

Amend the title as follows:

Page 1, line 6, before the period, insert “; repealing Minnesota Statutes 1980, Section 410.10, Subdivision 4”.

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

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

S.F. No. 1913: A bill for an act relating to state government; establishing a chemical dependency board; transferring powers and duties to the new board from the alcohol and other drug abuse section; abolishing the alcohol and other drug abuse section; proposing new law coded as Minnesota Statutes, Chapter 254B; repealing Minnesota Statutes 1980, Sections 254A.01; 254A.02; 254A.03, Subdivision 2; 254A.031; 254A.04; 254A.07, Subdivision 1; 254A.08, Subdivision 2; 254A.10; 254A.12; 254A.14; 254A.15; 254A.16; Minnesota Statutes 1981 Supplement, Sections 254A.03, Subdivisions 1 and 3; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; and 254A.09.

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

Page 2, line 2, delete “14” and insert “13”

Page 2, delete lines 5 and 6 and insert:

“Subd. 3. [COMPREHENSIVE PROGRAM.] “*Comprehensive program*” means the range of services which are to be made available for the purpose of prevention, care, and treatment of alcohol and drug abuse.

Subd. 4. [DRUG ABUSE.] “*Drug abuse or abuse of drugs*” is the use of any psychoactive or mood altering chemical substance, without compelling medical reason, in such a manner as to induce mental, emotional, or physical impairment and cause socially dysfunctional or socially disordering behavior and which results in psychological or physiological dependency as a function of continued use.

Subd. 5. [DRUG DEPENDENT PERSON.] “*Drug dependent person*” means any inebriate person or any person incapable of managing himself or his affairs or unable to function physically or mentally in an effective manner

*because of the abuse of a drug, including alcohol.*

*Subd. 6. [INTOXICATED PERSON.] "Intoxicated person" means a person whose mental or physical functioning is substantially impaired as a result of the use of alcohol or other drugs.*

*Subd. 7. [OTHER DRUGS.] "Other drugs" means any psychoactive chemical other than alcohol.*

*Subd. 8. [AMERICAN INDIAN.] "American Indian" means a person of one-quarter or more Indian blood.*

*Subd. 9. [PURCHASE OF SERVICE AGREEMENT.] "Purchase of service agreement" means a contract between a contractor and service provider for the provisions of services. The agreement shall specify the services to be provided, the method of delivery, the type of staff to be employed, and a method of evaluation of the services to be provided."*

Page 2, line 16, after "district" insert "*one of whom shall represent the Minneapolis or Saint Paul urban Indian community*"

Page 2, line 18, after the period, insert "*One of the three members appointed at large shall be a representative of the Indian advisory council established in section 8.*"

Page 2, line 25, after the period, insert "*The chairperson shall be in the unclassified state civil service.*"

Page 2, line 26, before "COMPENSATION" insert "TERMS OF OFFICE AND"

Page 2, line 27, delete everything after the period and insert "*The term of office and compensation of board members, and the manner of removal and filling of vacancies, shall be as provided in section 15.0575, except that the rate of compensation shall be \$50 per day spent on board activities. The chairperson shall serve at the pleasure of the governor for a term coterminous with that of the governor.*"

Page 2, delete lines 28 to 30

Pages 2 and 3, delete section 5

Page 3, line 4, delete "[254B.06]" and insert "[254B.05]"

Page 3, lines 6 and 11, delete "14" and insert "13"

Page 3, line 16, delete "or"

Page 3, line 17, after "or" insert "the"

Page 3, line 18, after "gifts," insert "grants,"

Page 3, line 19, after "state" insert "*and its political subdivisions, or any private source*"

Page 3, line 19, delete "or any person"

Page 3, line 23, after the period, insert "*The board shall make contracts with and grants to public and private agencies and organizations, both profit and nonprofit, and individuals using federal and state funds as authorized for the provision of comprehensive program services.*"

Pages 3 and 4, delete subdivision 7 and insert:

*"Subd. 7. [RESEARCH.] The board shall conduct and foster basic research relating to the cause, prevention, and methods of diagnosis, treatment, and rehabilitation of drug dependent persons. The board or the chairperson acting on behalf of the board may conduct research studies and programs, collect and analyze data, prepare reports, and order all necessary hearings and investigations in connection with its work. The board shall assure confidentiality to individuals who are the subject of research, and may not be compelled in any proceeding to disclose confidential information about individuals unless the individual gives written consent to disclosure.*

*Subd. 8. [INFORMATION.] The board shall gather and disseminate facts and information about alcoholism and other drug dependency and abuse to public and private agencies and to any court requesting information for guidance and assistance in prevention treatment and rehabilitation. The board is also responsible for the dissemination of information to educate the general public concerning alcohol and other drug dependency and abuse problems."*

Renumber the subdivisions in sequence

Page 4, line 5, delete "engineering,"

Page 4, delete lines 15 to 22 and insert:

"Sec. 6. [254B.06] [TRANSFER OF POWERS.]

*Subdivision 1. [LICENSING.] All powers, duties, and functions relating to chemical dependency programs, heretofore vested in or imposed upon the commissioner of welfare by sections 245.781 to 245.812, including the authority to develop and promulgate rules pursuant to chapter 15, regulating this licensure are transferred to, vested in, and imposed upon the chemical dependency board."*

Page 4, line 30, delete "[254B.08]" and insert "[254B.07]"

Page 4, line 32, delete "board of"

Page 4, line 33, after "dependency" insert "board"

Page 4, line 36, delete "7" and insert "6"

Page 5, line 7, delete "7" and insert "6"

Page 5, line 28, delete everything after "board"

Page 5, line 29, delete everything before the period

Page 5, line 36, after "the" insert "staff of the chemical dependency"

Page 6, delete lines 1 to 23 and insert:

"Sec. 8. [254B.08] [OTHER DUTIES.]

*Subdivision 1. [BIENNIAL REPORT.] Before November 15 of each even-numbered year, the board through its chairperson shall prepare and submit to the legislative commission on chemical dependency a report of the board's operations and activities pursuant to the provisions of this law, as well as any recommendations for legislative action. This report shall include a state work plan for the following biennium, which shall set forth goals and priorities for a comprehensive alcohol and other drugs dependency and abuse program for*

*Minnesota. All state agencies operating alcohol and other drug abuse or dependency programs or administering state or federal funds for the programs shall annually set their program goals and priorities in accordance with the comprehensive state work plan. Each state agency shall submit its plans to the board for review. The board shall certify whether proposed agency plans and services comply with the comprehensive state work plan."*

Page 6, delete lines 28 to 36

Page 7, delete lines 1 to 3

Page 7, after line 10, insert:

*"The chairperson of the board shall establish an American Indian advisory council to assist the board in their proposal review, policy formation, and procedures relating to programs for the abuse of alcohol and other drugs in the American Indian community. The membership of the advisory council shall be composed of not more than 17 persons, to be appointed by the chemical dependency board chairperson as follows:*

*(a) One member to be appointed from each federally recognized Indian reservation in Minnesota who is an enrolled member, selected by the tribal chairperson with the advice of the board chairperson; and*

*(b) Six members to be appointed from the following American Indian communities: one member representing International Falls northern range community, one member representing the Duluth American Indian community, two members representing the St. Paul American Indian community, and two members representing the Minneapolis American Indian community. The terms, compensation and removal of American Indian advisory council members shall be as provided for in section 15.059."*

Page 7, line 20, after "programs" insert "*in conjunction with the American Indian advisory council. The special assistant for American Indian programs shall report to the chemical dependency board annually"*

Page 7, line 21, delete "shall" and insert "may"

Page 7, line 22, delete "The" and insert "*Programs shall be designed to meet the needs identified by the American Indian community and appropriate recognition shall be given to the cultural and social needs of American Indians. The board shall enter into the agreements after consultation with the special assistant for American Indian programs and the American Indian advisory council."*

Page 7, delete lines 23 to 30 and insert:

*"Subd. 4. [PREVENTION.] The board shall maintain a position on its supporting staff for a special assistant for prevention of problems related to the use of drugs and alcohol. The special assistant for prevention shall be responsible to the chairperson of the board. The responsibilities of the special assistant shall be to:*

*(a) Coordinate and review all activities, planning, and programs of all the various state departments and agencies as they relate to the prevention of chemical abuse, and to determine their compliance with the comprehensive state work plan and federal laws and regulations;*

*(b) Provide technical assistance, coordination, and support to governmen-*



tal and non-governmental agencies, groups, and organizations, to help prevent problems related to use of alcohol and other drugs;

(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 chemical dependency board."

Renumber the subdivisions in sequence

Page 7, line 31, delete "[254B.10]" and insert "[254B.09]"

Page 8, line 11, delete "[254B.11]" and insert "[254B.10]"

Page 8, line 15, after "agencies" insert "within the framework and guidelines of the comprehensive state work plan"

Page 8, delete lines 19 to 35 and insert:

"Subd. 2. [GRANTS.] The county boards may make grants for comprehensive programs for prevention, care, and treatment of alcohol and other drug abuse as developed and defined by the state comprehensive work plan and the biennial plan established in section 256E.09. Grants may be made for the cost of these comprehensive programs and services whether provided directly by county boards or by other public and private agencies and organizations, both profit and nonprofit, and individuals, pursuant to contract. Nothing herein shall prevent the chemical dependency board from entering into contracts with and making grants to other state agencies for the purpose of providing specific services and programs. With the approval of the county board, the chemical dependency board may make grants or contracts for research or demonstration projects specific to needs within that county."

Page 8, line 36, delete "[254B.12]" and insert "[254B.11]"

Page 8, line 36, delete "CENTER" and insert "SERVICES"

Page 9, lines 1 and 2, after "county" insert "board"

Page 9, line 1, delete "a"

Page 9, line 1, delete "program" and insert "services"

Page 9, line 2, after "and" insert "other"

Page 9, line 11, delete "254B.13" and insert "254B.12"

Page 10, line 7, delete "and subsequent editions" and insert "edition"

Page 10, line 8, delete everything after "shall" and insert ", in each section referred to in Column A, strike the reference referred to in Column B, and in each section referred to in Column A, insert the reference set forth in Column C."

Column A	Column B	Column C
462A.03, subdivision 18	254A.02	254B.02
462A.07, subdivision 14	254A.02	254B.02
462A.07, subdivision 15	254A.02	254B.02

256E.06, subdivision 2	254A.031	254B.08, subdivision 3
256E.03, subdivision 2	254A.07	254B.10
256E.06, subdivision 2	254A.07	254B.10
256E.03, subdivision 2	254A.08	254B.11
256E.06, subdivision 2	254A.08	254B.11

Page 10, delete line 9

Page 10, line 18, delete "*Sections 3 and 4 are*" and insert "*This act is*"

Page 10, line 18, delete everything after the period

Page 10, delete lines 19 to 22

Renumber the sections in sequence

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 2065: A bill for an act relating to public welfare; clarifying certain provisions of the general assistance program; modifying the eligibility standards for emergency general assistance; providing that grants of emergency general assistance be made in the form of vouchers or vendor payments; amending Minnesota Statutes 1981 Supplement, Sections 256D.05, Subdivision 1; 256D.06, Subdivision 2; and 256D.09, Subdivision 1.

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

Page 2, line 28, reinstate "as"

Page 2, lines 29 and 30, reinstate the stricken language and delete the new language

Page 2, line 35, delete "*or appeal*" and after "*for*" insert "*the program of*"

Page 2, line 36, before the second comma, insert "*or has been terminated from that program and has an appeal from that termination pending*"

Pages 3 and 4, delete sections 2 and 3

Page 4, line 17, delete "*Sections 1 and 4 are*" and insert "*This act is*"

Page 4, line 18, delete everything after the first period

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 4 to 6

Page 1, line 7, delete "vendor payments;"

Page 1, line 8, delete "Sections" and insert "Section"

Page 1, line 8, delete "; 256D.06."

Page 1, line 9, delete everything before the period

And when so amended the bill do pass and be re-referred to the Committee

on Finance. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred:

S.F. No. 1769: A bill for an act relating to public welfare; providing for approval of mental health clinics and centers pending promulgation of permanent rules.

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

Page 1, line 9, delete "*adopted*" and insert "*in effect*."

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred:

S.F. No. 1837: A bill for an act relating to health; establishing a permanent council on health promotion and wellness; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 145.

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

Page 2, delete section 2

Amend the title as follows:

Page 1, line 3, delete "appropriating money;"

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred:

S.F. No. 1605: A bill for an act relating to public welfare; requiring audits of nursing home cost reports; amending Minnesota Statutes 1980, Sections 256B.27, Subdivision 2a; and 256B.35, Subdivision 4.

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

Page 1, line 13, delete "*at*"

Page 1, line 14, delete "*least 15 percent of the*"

Page 1, line 15, delete everything after the period

Page 1, delete lines 16 to 18 and insert "*The commissioner shall select for audit at least five percent of these nursing homes at random and at least ten percent from the remaining nursing homes.*"

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred:

S.F. No. 1928: A bill for an act relating to public welfare; providing for

regulation of aversive or deprivation procedures for behavior modification of mentally retarded, mentally ill, or chemically dependent individuals in order that the procedures are appropriately selected, planned, and implemented with due regard for human rights and needs; establishing a penalty; proposing new law coded in Minnesota Statutes, Chapter 245:

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

Page 2, line 1, delete “, mentally ill, or chemically dependent”

Page 2, line 12, delete “a” and after “facility” insert “ staff”

Page 2, line 14, delete “and substantial”

Page 2, line 15, delete everything after “are”

Page 2, line 16, delete “basis, however”

Page 2, line 19, after “governing” insert “approval,” and before “of” insert “, monitoring, and evaluation”

Page 2, line 21, after the period, insert “No provision of these rules shall encourage or require the use of aversive or deprivation procedures.”

Page 2, after line 21, insert:

“(a) May designate public facilities under control of the commissioner as regional centers for the treatment of severe behavior problems that may include aversive, deprivation or related procedures on consumers;

(b) Shall prohibit the application of any aversive or deprivation procedures in private facilities except as authorized and monitored by the designated regional review committees under control of the commissioner;

(c) Shall authorize designated public regional facilities: (1) to provide consultation to private facilities, and (2) to approve and monitor the provision of aversive or deprivation procedures listed in subdivision 4, clause (e);”

Page 2, line 22, delete “(a)” and insert “(d)”

Page 2, line 24, delete “(b)” and insert “(e)”

Page 2, line 29, delete “(c)” and insert “(f)”

Page 2, line 36, before the semicolon, insert “. Where the facility has an operative interdisciplinary team, that team shall be involved in the system for monitoring and approval of aversive and deprivation procedures”

Page 3, line 1, delete “(d)” and insert “(g)”

Page 3, line 7, delete “(e)” and insert “(h)”

Page 3, line 10, delete “comprehensive”

Page 3, line 11, delete “comprehensive” and insert “ behavioral”

Page 3, line 12, delete everything after “and” and insert “ should include treatment measures involving”

Page 3, line 13, before the period, insert “and other appropriate psychological procedures. Aversive or deprivation procedures may be used only when positive procedures are not effective”

Page 3, line 19, before the period, insert "*in accordance with the administrative procedures act, sections 15.041 to 15.052*"

Page 4, line 21, delete "*central*" and insert "*regional*"

Page 4, line 22, delete "*of nine members*"

Page 4, line 23, delete "*to one year terms*"

Page 4, line 26, delete everything before the comma and insert "*and one or more of the following: treatment and training staff, a medical director, program director or team member, a consumer advocate, a consumer, an objective observer*"

Page 4, line 27, after "*in*" insert "*protection of*"

Pages 4 and 5, delete subdivision 5

Page 5, line 5, delete "*6*" and insert "*5*" and delete "*CIVIL ACTIONS*" and insert "*INJUNCTION*"

Page 5, line 6, delete "*knowingly*"

Page 5, line 7, delete "*actual damages,*"

Page 5, delete line 8

Page 5, line 9, delete everything before the period and insert "*injunctive relief*"

Page 5, line 10, delete "*actual damages*" and insert "*injunctive relief*"

Amend the title as follows:

Page 1, line 4, delete "*, mentally ill, or*"

Page 1, line 5, delete "*chemically dependent*"

Page 1, line 8, delete "*establishing a penalty;*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 1031: A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; imposing taxes, fees, and penalties; appropriating money; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; 466.01, by adding a subdivision; and 466.04, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 115B.

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

Page 6, line 2, after "*for*" insert "*all costs and damages which result from the release or threatened release or to which the release or threatened release significantly contributes, including*"

Page 8, line 17, delete "*6*" and insert "*7*"

Page 8, line 34, delete "*sections 1 to 11*" and insert "*section 3*"

Page 9, line 2, delete "*sections 1 to 12*" and insert "*section 3*"

Page 9, delete lines 20 to 24, and insert:

*"(c) For damages or response costs as a result of the release of a hazardous substance:*

*(1) If the hazardous substance is specifically identified in a federal or state permit held by the person and the release is within the limits allowed in the permit;*

*(2) If the release results from circumstances identified and reviewed and made a part of the public record of a federal or state agency with respect to a permit held by the person, the permit was issued or modified under federal or state law; and the release conformed with the permit;*

*(3) If the release is any part of an emission or discharge into the air or water which emission or discharge is subject to a federal or state permit held by the person, and the emission or discharge is in compliance with control rules or regulations adopted pursuant to state or federal law; or*

*(4) If the release is the introduction of any pollutant into a publicly owned treatment works when the pollutant is specified in, and is in compliance with, applicable pretreatment standards under state or federal law; or"*

Page 9, delete lines 30 to 36

Page 10, delete lines 1 to 24 and insert:

*"In adjudicating under sections 1 to 12 the question of whether a plaintiff's personal injury or disease was caused by the release of a hazardous substance, the question shall be submitted to the trier of fact if the plaintiff shows evidence sufficient to enable the trier of fact to find that it is more likely than not that the plaintiff's exposure to the hazardous substance found in the release caused or significantly contributed to the injury or disease suffered by the plaintiff. Evidence to a reasonable medical certainty that a release of a hazardous substance caused or significantly contributed to a plaintiff's injury or disease is not necessary for the question of causation to be submitted to the trier of fact."*

Page 11, line 13, delete "*who*"

Page 11, line 14, delete "*is able to*"

Page 11, line 15, delete everything before "*his*" and insert "*and*"

Page 11, line 16, delete everything after "*apportioned*"

Page 11, delete line 17

Page 11, line 18, delete everything before the second "*the*" and insert a comma

Page 11, line 19, after "*to*" insert "*two times*"

Page 11, line 30, before "*penalty*" insert "*civil*"

Page 12, line 9, delete "*6*" and insert "*7*"

Page 12, line 29, delete "*sections 3 to 11*" and insert "*section 3*"

Page 17, delete lines 22 to 24, and insert:

*"Subd. 6. [CLASSIFICATION OF DATA.] Except as otherwise provided in this subdivision, data obtained from any person pursuant to subdivision 4 or 5 is public data as defined in section 15.162. Upon certification by the subject of the data that the data relates to sales figures, processes or methods of production unique to that person, or information which would tend to affect adversely the competitive position of that person, the director shall classify the data as private or nonpublic data as defined in section 15.162. Notwithstanding any other law to the contrary, data classified as private or nonpublic under this subdivision may be disclosed when relevant in any proceeding under sections 1 to 14, or to other public agencies concerned with the implementation of sections 1 to 14."*

Page 17, line 25, delete "6" and insert "7"

Page 17, line 29, delete "sections 1 to 12" and insert "section 3"

Page 17, line 33, delete "sections 3 to 11" and insert "section 3"

Page 18, line 1, delete "7" and insert "8"

Page 18, lines 4 and 7, delete "sections 1 to 12" and insert "section 3"

Page 18, line 12, delete "(c)" and insert "(e)"

Page 18, line 13, delete "8" and insert "9"

Page 18, line 19, delete "11" and insert "13"

Page 18, line 25, delete "6" and insert "7"

Page 18, line 26, delete "9" and insert "10"

Page 18, after line 32, insert:

*"Subd. 11. [ACTIONS RELATING TO HEALTH.] The agency and director shall make reasonable efforts to coordinate and consult with the commissioner of health in planning and directing response actions with respect to a release or threatened release affecting the public health. If the commissioner of health, upon the request of the agency, takes any actions authorized under this section, the agency shall reimburse the commissioner from the fund for the reasonable and necessary expenses incurred in taking those actions and may recover any amount spent from the fund under subdivision 7."*

Page 18, line 33, delete "10" and insert "12"

Page 19, line 3, delete "11" and insert "13"

Page 20, line 32, after "hazardous" insert "substances."

Page 22, line 24, delete "6 and 7" and insert "7 and 8"

Page 23, line 9, delete "AND FEES"

Page 23, line 15, delete "115A.02" and insert "115A.03"

Page 26, line 15, delete "section" and insert "subdivision"

Page 30, line 34, after "in" insert "section 19,"

Page 31, line 25, after "22." insert "[116.12]"

Page 32, after line 35, insert:

"Sec. 23. Minnesota Statutes 1981 Supplement, Section 115A.06, Subdivision 13, is amended to read:

Subd. 13. [PRIVATE AND NON-PUBLIC DATA.] Any data held by the board which consists of trade secret information as defined by section 15.1673, subdivision 1, clause (b), or sales information, or any other information which, if public, would tend to adversely affect the competitive position of the subject of the data, shall be classified as private or non-public data as defined in section 15.162, subdivisions 5a and 5c if the subject of the data has certified that the data qualifies as non-public or private data under this subdivision and the chairman of the waste management board approves the classification in writing. When data is classified private or non-public pursuant to this subdivision the board may:

(a) Use the data to compile and publish analyses or summaries and to carry out its statutory responsibilities in a manner which does not identify the subject of the data; or

(b) Disclose the data when it is obligated to disclose it to comply with federal law or regulation but only to the extent required by the federal law or regulation.

The subject of data classified as private or non-public pursuant to this subdivision may authorize the disclosure of some or all of that data by the board."

Page 34, line 21, delete "7" and insert "8"

Page 34, line 31, after the period, insert "*Sections 23 and 24 are effective the day following final enactment.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, after "I," insert "Minnesota Statutes 1981 Supplement, Section 115A.06, Subdivision 13;"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1842: A bill for an act relating to transportation; establishing a highway maintenance cost containment council.

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

Page 2, line 4, delete "with" and insert "*between the department of transportation and*"

Page 2, line 7, delete "January 11" and insert "March 15"

Page 2, line 18, delete "January 11" and insert "March 15"

Page 2, line 21, after "following" insert "final"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred



S.F. No. 1805: A bill for an act relating to transportation; providing for the construction of a new bridge crossing the Mississippi River at Wabasha; appropriating money.

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

Page 1, line 18, delete "1985" and insert "1987"

Page 1, delete section 2

Amend the title as follows:

Page 1, line 4, delete "; appropriating money"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1662: A bill for an act relating to transportation; allowing certain vehicles to cross certain railroad crossings without stopping; removing the requirement for designated routes for certain buses; modifying the public transit capital grant assistance program; providing for public transit contract procedures; amending Minnesota Statutes 1980, Sections 169.28; 169.29; 169.80, Subdivisions 2 and 2a; 174.245; Laws 1981, Chapter 363, Section 55, Subdivision 1, as amended; repealing Minnesota Statutes 1980, Section 219.21.

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

Page 2, lines 2 and 32, after "crossing" insert "*on a rail line on which service has been abandoned and*"

Page 2, line 22, after "crossing" insert a comma

Page 2, line 23, after "equipment" insert "*set forth in this section*"

Page 2, line 34, after "installed" insert a comma

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "removing certain geographical operating limitations on passenger motor buses;"

Page 1, line 5, delete "certain" and insert "intercity"

Page 1, line 6, delete "providing for" and insert "modifying certain"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1780: A bill for an act relating to highway traffic regulations; allowing the use of certain combinations of vehicles; allowing certain axle weight combinations; establishing allowable axle weight combinations; establishing allowable axle weights on restricted routes; modifying the distribution of receipts collected as fines; amending Minnesota Statutes 1981 Supplement, Sections 169.81, Subdivision 3; 169.825, Subdivisions 8, 10, and 12; 299D.03, Subdivision 5; repealing Minnesota Statutes 1981 Supplement,

## Section 169.861.

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

Page 2, line 17, reinstate the stricken "considered" and delete "deemed"

Page 2, line 23, delete the new language

Page 2, line 29, strike everything after the period

Page 2, strike lines 30 and 31

Page 3, line 7, before "A" insert "The total length of"

Page 3, line 7, delete "between 55 and 65 feet in" and insert ", unladen or with load,"

Page 3, line 8, delete "length"

Page 3, line 12, after "trailer" insert "shall not exceed 65 feet or be less than 55 feet in length. These types of combinations of vehicles"

Page 3, line 21, delete "section" and insert "paragraph"

Page 3, line 24, delete everything after the period

Page 3, line 25, delete everything before "For"

Page 3, line 27, delete "deemed" and insert "considered"

Page 9, line 26, after "to" insert "the maximum"

Page 9, line 27, after "weight" insert "as limited in section 169.825, subdivision 10, clause (c)"

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

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1493: A bill for an act relating to health; allowing payment for mental health center services through general assistance medical care; amending Minnesota Statutes 1981 Supplement, Sections 256B.02, Subdivision 8; and 256D.03, Subdivision 4.

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

Pages 1 to 3, delete section 1 and insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 256B.02, Subdivision 8, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 31, 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~~ the cost:

(1) Inpatient hospital services-;

(2) Skilled nursing home services and services of intermediate care facilities-;

(3) Physicians' services-;

- (4) Outpatient hospital or clinic services- ;
- (5) Home health care services- ;
- (6) Private duty nursing services- ;
- (7) Physical therapy and related services- ;
- (8) Dental services, 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 designate a formulary committee which shall advise the commissioner on the names of drugs for which payment shall 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 commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. 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. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act. The formulary shall not include: drugs for which there is no federal funding; over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; nutritional products; anorectics; and drugs for which medical value has not been established. Payment to drug vendors shall not be modified before the formulary is established. The commissioner may promulgate conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

The basis for determining the amount of payment shall be the actual acquisition cost of the drug plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the administrative procedure act. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2- ;

- (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) Day treatment services provided by mental health centers approved under section 245.69;*

~~(16)~~ (17) Any other medical or remedial care licensed and recognized under state law unless otherwise prohibited by law."

Page 4, line 8, after "services," insert "day treatment services provided by" and delete "center services" and insert "centers approved under section 245.69"

Page 4, after line 36, insert:

"Sec. 3. [SUNSET PROVISION.]

*Section 2 is repealed effective June 30, 1983. Notwithstanding the provisions of section 645.34, repeal of section 2 shall revive the corresponding section of the original law as it existed immediately before the amendment made by Laws 1981, Chapter 360, Article II, Section 2, Subdivision 2, as amended by Laws 1981, First Special Session Chapter 2, Section 16, Subdivision 2; provided, however, that amendments made to the statutory section amended by section 2 between the effective date of this section and June 30, 1983, shall remain effective after June 30, 1983, unless otherwise provided by law."*

Amend the title as follows:

Page 1, line 2, after "for" insert "day treatment services provided by"

Page 1, line 3, delete "center services" and insert "centers" and after "through" insert "medical assistance and"

Page 1, line 5, after "8" insert ", as amended"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 1207: A bill for an act relating to intoxicating liquor; providing an exemption for franchise fees; amending Minnesota Statutes 1980, Section 340.13, Subdivision 3.

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

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

S.F. No. 1903: A bill for an act relating to economic development; excepting motor carriers from the definition of "business license;" amending Minnesota Statutes 1981 Supplement, Section 362.452, Subdivision 2a.

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

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

S.F. No. 1706: A bill for an act relating to insurance; authorizing separate accounts for certain pension plans; amending Minnesota Statutes 1981 Supplement, Section 61A.282, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 61A.

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

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

S.F. No. 1522: A bill for an act relating to local government; permitting towns to self insure in the same way as other political subdivisions; amending Minnesota Statutes 1980, Sections 471.98, Subdivision 2; and 471.981, by adding a subdivision.

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

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1980, Section 367.10, is amended to read:

367.10 [TOWN CLERK; BOND; OATH.]

Every person elected or appointed to the office of town clerk, before he enters upon the duties of his office, shall give bond to the town, with sureties approved by the town treasurer, in such penal sum as the town board directs, conditioned for the faithful discharge of his duties. The bond, with his oath of office, shall be filed with the ~~clerk of the district court~~ *county auditor*, and an action may be maintained thereon by the town or any person aggrieved.

Sec. 2. Minnesota Statutes 1980, Section 367.15, is amended to read:

367.15 [TOWN TREASURER; BOND.]

Every town treasurer, before he enters upon the duties of his office, shall give bond to the town in an amount to be determined by the board, conditioned

for the faithful discharge of his duties as such treasurer. Within six days thereafter the chairman shall file such bond, with his approval endorsed thereon, for record with the county ~~recorder~~ auditor."

Page 1, delete section 2

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "changing the filing of the bond of the town clerk and the town treasurer;"

Page 1, line 5, after "Sections" insert "367.10; 367.15; and"

Page 1, line 5, delete "; and 471.981, by adding"

Page 1, line 6, delete "a subdivision"

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

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

S.F. No. 1642: A bill for an act relating to agriculture; clarifying the provision of state livestock weighing services; amending Minnesota Statutes 1980, Section 17A.10.

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 1981 Supplement, 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) \$120 for each livestock market agency and public stockyard license; (2) \$42 for each livestock dealer license; and (3) \$24 for each agent license a fee in an amount set by the commissioner. The commissioner shall set the fees at levels required to cover the expenses of administering and enforcing this chapter.

Sec. 2. Minnesota Statutes 1980, Section 17A.04, is amended by adding a subdivision to read:

*Subd. 5a. [REVOLVING FUND.] There is created in the state treasury a livestock licensing and weighing fund. All fees collected pursuant to subdivision 5 or section 17A.11 shall be deposited by the commissioner in the state treasury and credited to the livestock licensing and weighing fund. The money in the livestock licensing and weighing fund, including interest earned and any money appropriated by the legislature for the purposes of this chapter, are annually appropriated to the commissioner for the administration and enforcement of this chapter.*

Sec. 3. Minnesota Statutes 1980, Section 17A.10, is amended to read:

17A.10 [PACKING PLANTS, LIVESTOCK MARKET AGENCIES AND STOCKYARDS; WEIGHERS.]

*Subdivision 1. [LICENSES.] A livestock weigher who is employed privately*

or by the state must have a license. The commissioner may issue a license to a person over the age of 18 who applies on a form prescribed by the commissioner, who has filed a weigher's acknowledgement and agreement as required by the packers and stockyards administration of the United States Department of Agriculture, who meets the qualifications as may be established by the commissioner and who has paid a fee set by the commissioner at a level required to cover the expenses of administering and enforcing this chapter. Licenses issued pursuant to this subdivision are annually renewable on January 1. The commissioner may refuse to issue or renew, or may suspend or revoke a license for good cause after proper notice. A person whose license has been denied, suspended or revoked may request and shall be granted a hearing before the commissioner.

Subd. 2. [PRIVATELY EMPLOYED WEIGHERS.] Any facility which does not use state employed weighers shall employ licensed livestock weighers who shall weigh all livestock coming for sale to their places of employment. The livestock agency shall keep a record of the weights. On request, the livestock agency shall furnish to the seller, buyer, packer and stockyards administration and the Minnesota department of agriculture livestock and weighing division a statement of the number of animals weighed and the weight of the animals. The statement is prima facie evidence of the facts stated. Scales at places where livestock are weighed by privately employed weighers shall be constructed and maintained in accordance with the rules and requirements of the state division of weights and measures, and shall be tested in accordance with packers and stockyards regulations of the United States Department of Agriculture at least once every 180 days up to the maximum weight that may be weighed on the scales. Private employers are responsible for the faithful performance of livestock weighers in their employ.

Subd. 3. [STATE EMPLOYED WEIGHERS.] The commissioner shall appoint state employed weighers necessary for livestock weighing at public stockyards, packing plants, slaughtering houses, buying stations, or livestock market agencies where the average daily number of livestock weighed for the purpose of establishing a basis for sale is 500 head or more, and the commissioner may appoint at public stockyards, packing plants, slaughtering houses, buying stations, or livestock market agencies on application from such the facilities where the average daily number of livestock weighed for the purpose of establishing a basis for sale is less than 500 head, such weighers as may be necessary for weighing livestock, provided that no weighers shall be required at facilities where the only livestock handled has been previously purchased or acquired, and title or terms of ownership already established. The commissioner shall prescribe and follow such reasonable regulations as he deems necessary for determining such daily average. Such requesting official state livestock weighing. State employed weighers shall weigh all livestock coming to these places for sale, and keep a record thereof of the weights. Upon request, the state employed weighers shall furnish the interested parties to an interested party a certificate setting forth stating the number of animals weighed and the actual weight of such animal or the animals. Such The certificate shall be is prima facie evidence of the facts therein certified. The scales at all such places on which where livestock is are weighed by state employed weighers shall be constructed and maintained in accordance with the rules and requirements of the state division of weights and measures, and shall be tested up to the maximum draft that may be weighed thereon, on the scales at least once every 90 180 days, and be in compliance with all the statutory requirements and regulations adopted by the state division of weights and measures pertaining to livestock scales and weighing in accordance with packer and stockyards regu-

*lations of the United States Department of Agriculture.*

Sec. 4. Minnesota Statutes 1980, Section 17A.11, is amended to read:

**17A.11 [FEES FOR STATE LIVESTOCK WEIGHING.]**

The commissioner shall prescribe the fee necessary to cover the cost of ~~such~~ *state weighing*, to be assessed and collected from the seller in ~~such the~~ manner as the commissioner may prescribe; provided, that the fee assessed *must* be the same, and the manner of collection ~~thereof~~ *of the fee must* be uniform at all facilities, and provided, further, that if at any location, except a public stockyard, where *state weighing* is performed in accordance with ~~Laws 1974, Chapter 347~~ *chapter 17A* and the total annual fees collected are insufficient to pay the cost of ~~such the~~ weighing, the annual deficit shall be assessed and collected in ~~such the~~ manner as the commissioner may prescribe. Additional ~~moneys~~ *money* arising from the weighing of animals by the commissioner, which ~~have~~ *has* been collected and retained by any person, shall be paid on demand to the commissioner. All ~~moneys~~ *money* collected by the commissioner shall be deposited in the state treasury and credited to the livestock *licensing and weighing* fund, and shall be paid out only on the order of the commissioner and the state's warrant.

**Sec. 5. [EFFECTIVE DATE.]**

*This act is effective April 1, 1982."*

Amend the title as follows:

Page 1, line 4, delete everything after the comma and insert "Sections 17A.04, by adding a subdivision; 17A.10; and 17A.11; Minnesota Statutes 1981 Supplement, Section 17A.04, Subdivision 5."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 1740: A bill for an act relating to landlords and tenants; permitting administrators of rental housing to petition the court for certain powers; clarifying the court's discretion to make certain orders; amending Minnesota Statutes 1980, Sections 566.25; and 566.29, Subdivision 4.

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

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1980, Section 363.01, is amended by adding a subdivision to read:

*Subd. 32. [COOPERATIVE APARTMENT CORPORATION.] "Cooperative apartment corporation" means a corporation or association organized under sections 308.05 to 308.18 or chapter 317, the shareholders or members of which are entitled, solely by reason of their ownership of stock or membership certificates in the corporation or association, to occupy one or more residential units in a building owned or leased by the corporation or association.*

Sec. 2. Minnesota Statutes 1980, Section 363.02, Subdivision 2, is



amended to read:

Subd. 2. [HOUSING.] (1) The provisions of section 363.03, subdivision 2, shall not apply to:

(a) rooms in a temporary or permanent residence home run by a nonprofit organization, if the discrimination is by sex; or

(b) the rental by an owner or occupier of a one-family accommodation in which he resides of a room or rooms in the accommodation to another person or persons if the discrimination is by sex, marital status, status with regard to public assistance or disability. Nothing in this chapter shall be construed to require any person or group of persons selling, renting or leasing property to modify the property in any way, or exercise a higher degree of care for a person having a disability than for a person who does not have a disability; nor shall this chapter be construed to relieve any person or persons of any obligations generally imposed on all persons regardless of any disability in a written lease, rental agreement, or contract of purchase or sale, or to forbid distinctions based on the inability to fulfill the terms and conditions, including financial obligations of the lease, agreement or contract.

(2) The provisions of section 363.03, subdivision 2, prohibiting discrimination because of familial status shall not be construed to defeat the applicability of any local, state or federal restrictions regarding the maximum number of occupants permitted to occupy a dwelling unit and shall not apply to:

(a) any unoccupied dwelling unit in one building of a housing complex consisting of two buildings or, in a housing complex consisting of three or more buildings, any unoccupied dwelling unit in up to one-third of all buildings in the housing complex. For the purposes of this clause, "housing complex" means a group of buildings each containing five or more units on a contiguous parcel of land owned by the same person; a building shall not be exempt from section 363.03, subdivision 2, pursuant to this clause unless the owner has filed an election to designate the building as exempt with the commissioner; an election made by an owner pursuant to this clause may not be withdrawn for purposes of designating another building in the housing complex as exempt for a period of one year from the filing of the election; or

(b) any unit in a condominium created prior to April 12, 1980, any unit in a condominium, other than a condominium converted from a residential building, created on or after April 12, 1980, and any unit in an adults-only condominium created from an existing adults-only rental building on or after April 12, 1980; or

(c) an unoccupied dwelling unit in any building in which at least a majority of the dwelling units are occupied by elderly persons or are unoccupied and available for occupancy solely by households of which at least one member is an elderly person; or

(d) any owner occupied building containing four or fewer dwelling units; or

(e) an unoccupied dwelling unit in any building which is the subject of a valid certificate filed with the commissioner pursuant to the provisions of this clause. To be valid, a certificate must be on a form provided by the commissioner, be received by the commissioner, state that on the date that the certificate is received by the commissioner at least a majority of the dwelling units in

the building are occupied by elderly persons or are unoccupied and available for occupancy solely by households of which at least one member is an elderly person, state that on the date that the certificate is received by the commissioner there is on file with the owner of the building or a specified duly authorized agent of the owner for each occupied unit relied upon in support of the certificate a signed statement by an elderly person occupying the unit on the date that the certificate is received by the commissioner that the person is an elderly person, state that for a period of 180 days following the receipt of the certificate by the commissioner the owner or duly authorized agent will preserve the signed statements of the elderly persons and will, upon request, make the statements available for inspection by the commissioner or by any local commission having jurisdiction over the building, be signed by the owner or the duly authorized agent, and be in all respects true and accurate. A valid certificate shall remain valid for a period of 180 days following the date on which it is received by the commissioner. Any owner or authorized agent who files a certificate containing statements or information that the owner or authorized agent knows or should reasonably know to be false shall be guilty of a misdemeanor; or

(f) any unoccupied dwelling unit of up to one-third of the units in a building that is not part of a multi-building complex ; or

(g) any dwelling unit in a building owned by a cooperative apartment corporation, other than a building converted from a residential rental building to a cooperative apartment corporation building on or after April 12, 1980, unless that conversion was from an existing adults-only residential rental building."

Page 1, line 19, strike "thereof"

Page 1, line 20, strike "such" and insert "the"

Page 1, line 25, strike "(a)" and insert "(i)"

Page 2, line 1, strike "(b)" and insert "(ii)"

Page 2, line 2, strike "there"

Page 2, line 3, strike "be"

Page 2, line 13, strike "therefor"

Page 2, line 17, strike "such" and insert "any"

Page 2, line 17, strike "as to"

Page 2, line 17, strike "may seem" and insert "deems"

Page 2, line 21, after "4." insert "[POWERS.]"

Page 2, line 28, strike "such"

Page 2, line 29, strike "as are"

Page 2, line 34, strike "to make disbursements for payment thereof" and insert "pay for them"

Page 2, line 36, delete "To"

Page 3, lines 4 and 5, delete "make disbursements for payments therefor" and insert "pay for them"

Page 3, line 7, delete "To"

Page 3, line 12, delete "make disbursements for payments therefor" and insert "pay for them"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "landlords and tenants" and insert "real estate; providing an exception for certain restrictions based on familial status in co-operative housing"

Page 1, line 6, after "Sections" insert "363.01, by adding a subdivision; 363.02, Subdivision 2;"

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

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

S.F. No. 1521: A bill for an act relating to crimes; defining "complainant" for purposes of criminal sexual misconduct offenses; amending Minnesota Statutes 1980, Section 609.341, Subdivision 13.

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

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

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.

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

Page 3, line 22, after "property" insert "(1) is known to one who contributes to the improvement of the real property, or (2)"

Page 3, line 23, after "land" insert a comma

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

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

S.F. No. 1755: A bill for an act relating to crimes; establishing the crime of commercial bribery; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 609.

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

Delete everything after the enacting clause and insert:

"Section 1. [609.824] [COMMERCIAL BRIBERY.]

Subdivision 1. [DEFINITION.] "*Corruptly*" means that the actor intends the action to injure or defraud:

(1) His employer or principal; or

(2) *The employer or principal of the person to whom he offers, gives or agrees to give the bribe or from whom he requests, receives or agrees to receive the bribe.*

*Subd. 2. [ACTS CONSTITUTING.] Whoever does any of the following, when not consistent with usual practices, is guilty of commercial bribery and may be sentenced as provided in subdivision 3:*

*(1) Corruptly offers, gives, or agrees to give, directly or indirectly, any benefit, consideration, compensation, or reward to any employee, agent or fiduciary of a person with the intent to influence the person's performance of his duties as an employee, agent, or fiduciary in relation to his employer's or principal's business; or*

*(2) Being an employee, agent or fiduciary of a person, corruptly requests, receives or agrees to receive, directly or indirectly, from another person any benefit, consideration, compensation, or reward with the understanding or agreement that he shall be influenced in the performance of his duties as an employee, agent, or fiduciary in relation to his employer's or principal's business.*

*Subd. 3. [SENTENCE.] Whoever commits commercial bribery may be sentenced as follows:*

*(1) To imprisonment for not more than three years or to payment of a fine of not more than \$3,000, or both, if the value of the benefit, consideration, compensation or reward is greater than \$500;*

*(2) In all other cases where the value of the benefit, consideration, compensation or reward is \$500 or less, to imprisonment for not more than 90 days or to payment of a fine of not more than \$500; provided, however, in any prosecution of the value of the benefit, consideration, compensation or reward received by the defendant within any six month period may be aggregated and the defendant charged accordingly in applying the provisions of this subdivision; provided that when two or more offenses are committed by the same person in two or more counties, the accused may be prosecuted in any county in which one of the offenses was committed, or all of the offenses aggregated under this clause.*

#### Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective August 1, 1982, and applies to crimes committed on or after that date."*

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

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

S.F. No. 1666: A bill for an act relating to legal services; providing for a surcharge on civil filing fees; authorizing the supreme court to appoint an advisory committee; authorizing the distribution of the surcharge funds to qualified programs providing legal services to certain persons; requiring a report to the legislature; proposing new law coded in Minnesota Statutes, Chapter 480.

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

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

Page 2, line 6, after "*payable*" insert "*by that party*"

Page 2, line 7, after "*action*" insert a comma

Page 2, line 9, delete "\$15" and insert "\$10"

Page 2, line 28, delete "*to persons*"

Page 2, line 29, delete "*unable to pay for the service*"

Page 2, line 34, delete "*the effective date of this act*" and insert "*July 1, 1982,*"

Page 3, line 2, delete "*All members of the*"

Page 3, delete lines 3 and 4

Page 3, line 5, delete everything before "*In*"

Page 3, line 14, delete "*such*" and insert "*any*"

Page 3, line 25, after "*funds*" insert "*distributed*"

Page 3, line 27, delete "*the effective date of this act*" and insert "*July 1, 1982,*"

Page 4, line 1, delete "*shall*" and insert "*distributed may*"

Page 4, line 21, delete "*having sought*" and insert "*with*"

Page 4, line 22, after "*guidelines*" insert "*in the form of court rules*"

Page 5, line 19, after the period, insert "*Section 2 applies to filings made on or after July 1, 1982.*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 2064: A bill for an act relating to Minnesota Statutes, correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating certain redundant, conflicting and superseded provisions; authorizing the revisor of statutes to make necessary reference changes if the administrative procedure act is recompiled as a separate chapter; amending Minnesota Statutes 1980, Sections 60C.02, Subdivision 1; 62B.04, Subdivision 1; 92.03, Subdivision 4; 106.011, Subdivision 20; 106.021, Subdivision 2; 106.081, Subdivision 1; 106.091, Subdivision 2; 120.17, Subdivisions 4a and 5; 123.21; 123.78, Subdivision 1; 123.932, Subdivision 1a; 125.12, Subdivision 3; 129.121, Subdivision 1; 136.015; 145.833, Subdivisions 9, 10 and 11; 160.05, Subdivision 1; 175.35; 177.23, Subdivisions 4, 7 and 10; 177.27; 177.28; 177.29; 177.30; 177.31; 177.32; 177.33; 177.34; 177.35; 214.14, Subdivision 1; 273.11, Subdivision 5; 282.01, Subdivision 1; 290.41, Subdivision 3; 458.192, Subdivision 15; 462.415, Subdivisions 4 and 6; 462.421, Subdivisions 1, 2 and 20; 462.425, Subdivision 7; 462.426, Subdivision 1; 462.427, Subdivision 2; 462.428, Subdivision 3; 462.445, Subdivisions 1, 4 and 5; 462.451, Subdivision 2; 462.461, Subdivisions 1 and 2; 462.485; 462.511; 462.541, Subdivision 2; 462.545, Subdivisions 1, 2, 3 and 6; 462.555; 462.561; 462.571; 462.581; 462.591, Subdivision 1; 462.621,

Subdivisions 1 and 3; 462.631, Subdivision 1; 462.635; 462.645, Subdivisions 1, 5 and 7; 462.665; 462.671; 462.701; 462.705; 462.712; 462.713; 473.195, Subdivision 1; 504.24, Subdivision 2; Chapter 111, by adding a section; Minnesota Statutes 1981 Supplement, Sections 11A.18, Subdivision 9; 43A.08, Subdivision 2; 43A.27, Subdivision 2; 47.20, Subdivisions 4a and 4b; 60A.11, Subdivisions 9 and 10; 69.011, Subdivision 2; 69.031, Subdivision 5; 97.488, by adding a subdivision; 116H.129, Subdivisions 1, 5 and 6; 156A.02, Subdivision 6; 168.013, Subdivision 1c; 169.825, Subdivision 10; 171.36; 176.306, Subdivision 2; 204B.31; 222.63, Subdivision 4; 273.11, Subdivision 1; 290.077, Subdivision 4; 290.09, Subdivision 15; 299F.011, Subdivision 1; 353.01, Subdivisions 2a and 6; 355.11, Subdivision 5; 414.0325, Subdivision 5; 462.601; 462.605; 514.011, Subdivision 4a; 525.551, Subdivision 5; 525.6198; and Laws 1981, Chapter 224, Section 73; repealing Minnesota Statutes 1980, Section 60A.11, Subdivisions 5a and 5b; Minnesota Statutes 1981 Supplement, Section 290.971, Subdivision 7; Laws 1980, Chapter 587, Article I, Sections 31, 32, 33, 34, 35, 36, 37, 38 and 39; Laws 1981, Chapters 31, Section 7; 60, Section 14; 137, Section 3; 158; 178, Section 33; 205, Section 1; 224, Section 92; 255, Sections 1, 3 and 4; 356, Sections 99, 189, 190, 191, 210 and 212; and 357, Section 28.

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

Page 93, after line 35, insert:

“Sec. 133. Minnesota Statutes 1980, Section 145.61, Subdivision 2, is amended to read:

Subd. 2. [PROFESSIONAL.] “Professional” means a person licensed to practice a healing art under ~~Minnesota Statutes 1969~~, chapter 147; or chapter 148, to practice dentistry under ~~Minnesota Statutes 1969~~, chapter 150A, to practice as a pharmacist under ~~Minnesota Statutes 1969~~, chapter 151, or to practice podiatry under ~~Minnesota Statutes 1969~~, chapter 153.”

Page 12 of the Explanation, after line 11, insert:

“Sec. 133. *Explanation.* The section was not intended to be limited to Minnesota Statutes 1969. It should reflect the current edition of Minnesota Statutes.”

Amend the title as follows:

Page 1, line 15, after “136.015” insert “; 145.61, Subdivision 2”

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

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

S.F. No. 1949: A bill for an act relating to state departments and agencies; secretary of state; eliminating and simplifying certain filings; amending Minnesota Statutes 1980, Sections 303.14, Subdivision 3, as amended; 333.001, Subdivisions 2 and 3; Minnesota Statutes 1981 Supplement, Sections 301.071, Subdivision 2; 301.42, Subdivision 4; 303.05, Subdivision 1; and 322A.16; repealing Minnesota Statutes 1981 Supplement, Sections 301.06, Subdivision 3; 301.07; 301.071, Subdivision 1; and 301.33, Subdivision 3.

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

follows:

Page 1, line 16, after "2." insert "[FILING FEE.]"

Page 1, line 21, delete "1981 Supplement" and insert "1980"

Page 3, line 7, delete "*a fictitious*" and insert "*an alternate*"

Page 3, line 10, delete "*fictitious*" in both places where it occurs and insert "*alternate*"

Page 3, line 20, strike the semicolon and insert a period

Page 3, line 23, strike "; or," and insert a period

Page 3, line 31, strike "and" and insert a comma

Page 3, line 32, strike the parentheses

Page 4, line 3, strike "thereof"

Page 4, line 7, before "or" strike the parenthesis

Page 4, line 8, after "amendment" strike the parenthesis

Page 4, line 10, strike "therein" and insert "*in the amendment*"

Page 4, line 11, strike the parentheses

Page 4, line 11, strike "thereof" and insert "*of it*"

Page 4, line 15, after "2." insert "[PERSON.]"

Page 4, line 21, after "3." insert "[TRUE NAME.]"

Page 4, after line 28, insert:

"Sec. 8. Minnesota Statutes 1980, Section 300.06, is amended to read:

300.06 [FILING AND RECORD OF CERTIFICATE.]

The certificate of ~~every such~~ *each* corporation shall be filed for record with the secretary of state, who, if he finds that it conforms to law, and, if a financial corporation, has endorsed ~~thereon~~ *on it* the approval of the commissioner of banks, or, if an insurance company, that of the insurance commissioner, and, in every case, that the required fee has been paid, shall record ~~the same~~ *it* and certify that fact ~~thereon~~ *on it*. ~~After such record, such certificate shall be filed for record with the county recorder of the county of the principal place of business, as specified in the certificate.~~

Sec. 9. Minnesota Statutes 1980, Section 300.14, Subdivision 2, is amended to read:

Subd. 2. [AGREEMENT.] The agreement shall be submitted to the stockholders of record of each corporation at a meeting ~~thereof~~ called separately for the purpose of ~~taking the same into consideration~~ *considering it*. Notice of the time, place, and object of the meeting shall be mailed at least two weeks before the meeting to each stockholder of record, whether entitled to vote or not, at his last known ~~post office~~ address, as shown by the corporation's records, ~~and~~. At ~~such~~ *the* meeting the agreement shall be considered and a vote by ballot, in person or by proxy, taken for the adoption or rejection of ~~the same~~ *it*. If the votes of stockholders of each corporation holding stock in ~~such~~ *the* corporation entitling them to exercise at least nine-tenths of the voting power on a proposal

to consolidate the corporation with another or ~~such any~~ other proportion of the stockholders as ~~may be~~ prescribed by the certificate of incorporation for votes on ~~said the~~ proposal shall be for the adoption of the agreement, then that fact shall be certified on the agreement by the secretary or assistant secretary of each corporation, under ~~the its~~ seal ~~thereof~~. The agreement ~~so~~ adopted and certified shall be signed by the president or vice-president and secretary or assistant secretary of each corporation under ~~the its~~ corporate seal ~~thereof~~ and acknowledged by the president or vice-president ~~thereof~~ to be the respective acts, deeds, and agreements of ~~such the~~ corporation. The ~~agreement so~~ certified and acknowledged ~~agreement~~ shall be filed for record with the secretary of state ~~and with the county recorder of the county of the principal place of business of the consolidated corporation; as specified in the agreement; and published; and proof of such publication filed with the secretary of state, all as prescribed for a certificate of incorporation; and shall thence~~ be taken and deemed to be the agreement and acts of consolidation of the constituent corporations, and the certificate of incorporation of the consolidated corporation. A certified copy ~~thereof of it~~ shall be evidence of the performance of all antecedent acts and conditions necessary to ~~such the~~ consolidation and of the existence of the consolidated corporation.

Sec. 10. Minnesota Statutes 1980, Section 300.45, is amended to read:

300.45 [CERTIFICATES OF INCORPORATION, AMENDMENT; EXCEPTIONS.]

Except for a nonprofit corporation subject to the Minnesota Nonprofit Corporation Act or any part ~~thereof of it~~, the certificate of incorporation of any corporation ~~now or hereafter~~ organized and existing under the laws of this state may be amended ~~so as to~~ change its name, ~~or so as to~~ increase or decrease its capital stock, ~~or so as to~~ change the number and par value of the shares of its capital stock, or in respect to any other matter which an original certificate of a corporation of the same kind might lawfully have contained, by the adoption of a resolution specifying the proposed amendment at a regular meeting or at a special meeting called for that expressly stated purpose, in either of the following ways:

- (1) By a majority vote of all its shares, if a stock corporation; or, if not,
- (2) By a majority vote of its members; or, in either case,

(3) By a majority vote of its entire board of directors, trustees, or other managers within one year after ~~having been thereto duly authorized authorization~~ by specific resolution duly adopted at ~~such a~~ meeting of stockholders or members, and causing the resolution to be embraced in a certificate duly executed by its president and secretary, or other presiding and recording officers, under its corporate seal, and approved, ~~and filed; recorded; and published in the manner prescribed for the execution, approval, and filing; recording; and publishing of a like original certificate. If such amendment be made for the purpose of changing the principal place of the business of such corporation; the certificate shall be published; filed; and recorded in the office of the county recorder of the county of such principal place of business immediately prior to such amendment and recorded in the county where the business is to be carried on after the amendment.~~

As to a local building and loan association and corporations organized for the establishing, maintaining, and operating of hospitals not for profit, the resolution to amend may be adopted as above provided or by a two-thirds vote of the stockholders or members of the association attending the meeting in person or by proxy."



Page 4, line 30, delete "1981 Supplement" and insert "1980"

Page 4, line 30, after "Sections" insert "300.07;"

Page 4, line 32, delete "33" and insert "3"

Page 4, line 34, delete "8" and insert "11"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "Sections" insert "300.06; 300.14, Subdivision 2; 300.45; 301.42, Subdivision 4;"

Page 1, line 7, delete "301.42, Subdivision 4;"

Page 1, line 9, delete "1981 Supplement" and insert "1980"

Page 1, line 9, after "Sections" insert "300.07;"

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

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

S.F. No. 1648: A bill for an act relating to nonprofit corporations; providing an internal reference correction; amending Minnesota Statutes 1980, Section 317.16, Subdivision 2.

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

Page 2, after line 25, insert:

"Sec. 2. Minnesota Statutes 1980, Section 317.20, Subdivision 8, is amended to read:

Subd. 8. [MEETINGS OF BOARD.] Except where the articles or bylaws prescribe otherwise:

(1) a meeting of the board of directors may be held at any place, within or without this state, designated by the board;

(2) notice of every meeting shall be given;

(3) an act of the majority of the directors present at a meeting at which a quorum is present is the act of the board;

(4) (a) *A conference among directors, or among members of any committee designated by the board of directors, by any means of communication through which the participants may simultaneously hear each other during the conference, constitutes a meeting of the board, or the committee, if the same notice is given of the conference as would be required for a meeting, and if the number of persons participating in the conference would be sufficient to constitute a quorum at the meeting. Participation in a meeting by that means constitutes personal presence at the meeting;*

(b) *A director may participate in a meeting of the board, or any committee designated by the board, not described in paragraph (a) by any means of communication through which he, other persons so participating, and all persons physically present at the meeting may simultaneously hear each other*

*during the meeting. Participation in a meeting by that means constitutes personal presence at the meeting.*

Sec. 3. Minnesota Statutes 1980, Section 317.22, is amended by adding a subdivision to read:

*Subd. 11. [TELEPHONE CONFERENCE MEETINGS.]*

*(a) A conference among members, or among members of any committee designated by the members, by any means of communication through which the participants may simultaneously hear each other during the conference, constitutes a meeting of the members, or the committee, if the same notice is given of the conference as would be required for a meeting, and if the number of persons participating in the conference would be sufficient to constitute a quorum at the meeting. Participation in a meeting by that means constitutes personal presence at the meeting.*

*(b) A member may participate in a meeting of the membership, or any committee designated by the membership, not described in paragraph (a) by any means of communication through which he, other persons so participating, and all persons physically present at the meeting may simultaneously hear each other during the meeting. Participation in a meeting by that means constitutes personal presence at the meeting."*

Page 2, line 27, after the period, insert "Sections 2 and 3 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon insert "providing for the conduct of meetings by telephone;"

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

Page 1, line 4, before the period insert "; 317.20, Subdivision 8; and 317.22, by adding a subdivision."

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

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

S.F. No. 1853: A bill for an act relating to agriculture; eliminating certain provisions relating to abstracts of mortgages and liens on grain crops; repealing Minnesota Statutes 1980, Sections 386.42 and 386.43.

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

Page 1; delete section 1 and insert:

"Section 1. Minnesota Statutes 1980, Section 386.42, is amended to read:

**386.42 [ABSTRACT OF MORTGAGES AND LIENS ON GRAIN CROPS FOR ELEVATOR COMPANIES.]**

Any elevator company or grain buyer doing business in this state may annually make written application to the county recorder for an abstract of all designated mortgages and liens upon grains grown during the year within the

county. ~~Such~~ The application shall state the name of the elevator and the post office address thereof and be accompanied by a fee of \$5 as an advance for fees and the recorder shall receive 15 cents for each instrument abstracted and at the end of the year may deduct from such advance fees or any further sums that may have been deposited; his fees earned hereunder and return the surplus, if any, to the party having made such deposit of the company. The application shall be determined by resolution of the county board upon the recommendation of the county recorder based upon the estimated cost of providing the service.

Sec. 2. Minnesota Statutes 1980, Section 386.43, is amended to read:

386.43 [CONTENTS OF AND SUPPLEMENTAL ABSTRACTS.]

Each county recorder shall on or before the 15th day of June each year mail to each and every applicant having paid such who pays the fee for such the year, an abstract of all requested existing mortgages and liens upon grain or crops raised or to be raised during such the year, showing the name of the person against whom the lien is claimed, arranged alphabetically, the name of the person holding or claiming such the lien, a description of the land upon which the grain was raised, upon which the lien is claimed, the kind of grain, if specified, and the amount of the lien claimed. Such The abstract shall further contain a list of all mortgages and liens filed against crops or grain grown in such the crop year which have been satisfied. At least once a week during the balance of the calendar year, the county recorder shall mail to each of such applicants applicant a similar abstract covering the liens, mortgages, and releases thereon on them filed in his office, since the date of furnishing such the prior abstract."

Page 1, line 12, delete "Section 1 is" and insert "Sections 1 and 2 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "eliminating certain" and insert "changing fee"

Page 1, line 4, delete "repealing" and insert "amending"

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

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

S.F. No. 1950: A bill for an act relating to corporations; correcting certain errors; removing certain deficiencies and ambiguities; and amending Minnesota Statutes 1981 Supplement, Sections 300.083, Subdivision 2; 300.49, Subdivision 1; 302A.011, Subdivisions 4, 10, 17, 21, 25, 29, 30, and 31; 302A.021, Subdivisions 2, 4, 7, and 8; 302A.111, Subdivisions 2, 3, and 4; 302A.115, Subdivision 2; 302A.123; 302A.131; 302A.135, Subdivisions 2 and 4; 302A.181, Subdivision 3; 302A.201, Subdivision 2; 302A.207; 302A.235; 302A.239, Subdivision 1; 302A.241, Subdivisions 1 and 2; 302A.243; 302A.251, Subdivisions 2 and 3; 302A.255, Subdivision 1; 302A.401, Subdivision 2; 302A.403, Subdivisions 2 and 4; 302A.405, Subdivision 1; 302A.413, Subdivision 4; 302A.431, Subdivision 2; 302A.433, Subdivisions 1 and 2; 302A.435, Subdivision 1; 302A.437, Subdivision 1; 302A.443; 302A.445, Subdivisions 1 and 6; 302A.455; 302A.457, Subdivi-

sions 1 and 2; 302A.461, Subdivision 2; 302A.463; 302A.467; 302A.521, Subdivision 2; 302A.551, Subdivisions 1 and 2; 302A.559, Subdivision 1; 302A.613, Subdivisions 2 and 3; 302A.661, Subdivision 2; 302A.721, Subdivision 2; 302A.723, Subdivision 1; 302A.727, Subdivision 2; 302A.729, Subdivision 1; 302A.731, Subdivision 2; 302A.733, Subdivision 1; 302A.741; 302A.751, Subdivisions 2 and 3; 302A.781, Subdivision 1; 302A.821, Subdivisions 4 and 5; repealing Minnesota Statutes 1981 Supplement, Sections 302A.011, Subdivision 35; and 302A.241, Subdivision 3.

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

Page 35, line 24, strike "MANDATORY"

Page 35, line 24, before the period, insert "ON MOTION"

Page 35, line 26, before "and" insert "at the time the action is commenced"

Page 35, lines 33 to 36, delete the new language

Page 36, line 5, before the period insert "*provided that; if the shares in question are then subject to sale and purchase pursuant to the bylaws of the corporation, a shareholder control agreement, the terms of the shares, or otherwise, the court shall order the sale for the price and on the terms set forth in them, unless the court determines that the price or terms are unreasonable under all the circumstances of the case*"

Page 36, lines 31 and 34, delete "mandatory"

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

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

S.F. No. 1809: A bill for an act relating to crimes; providing for the protection of the victims of criminal sexual conduct and intrafamilial sexual abuse; amending Minnesota Statutes 1981 Supplement, Section 15.791, Subdivision 9; proposing new law coded in Minnesota Statutes, Chapter 631.

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

Page 2, line 12, delete "of the remainder"

Page 2, line 14, after the second "the" insert "prosecutor,"

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

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

S.F. No. 19: A bill for an act relating to eminent domain proceedings; allowing an award of costs and attorneys' fees under certain circumstances; amending Minnesota Statutes 1980, Section 117.195.

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

Page 1, line 10, before the period, insert " ; COSTS"

Page 1, line 11, before "All" insert:

“Subdivision 1. [AWARD; INTEREST.]”

Page 1, lines 15 and 19, strike “such” and insert “the”

Page 1, line 19, strike “as”

Page 1, line 19, after the period, insert:

“Subd. 2. [COSTS.]”

Page 1, line 19, strike “so”

Page 1, line 20, after “dismissed” insert “for nonpayment”

Page 1, line 20, strike “the same is”

Page 1, line 22, before “The” insert “In the discretion of the court.”

Page 1, line 26, after the period, insert “If the condemnation proceeding is part of a project or proposal which has received an environmental review pursuant to the Minnesota environmental policy act, or siting or routing selection pursuant to sections 116C.51 to 116C.69, the costs and expenses, including attorney fees, shall be paid by the governmental unit responsible for the review or selection.”

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

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

S.F. No. 1400: A bill for an act relating to probate; changing certain records-keeping requirements; amending Minnesota Statutes 1980, Section 525.03.

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 525.03, is amended to read:  
525.03 [~~BOOKS OF RECORD~~ RECORDS.]

The court shall keep the following ~~books of record~~ records:

(1) An index in which files pertaining to estates of deceased persons shall be indexed to the court records; in which all proceedings shall be entered in alphabetical order under the name of the decedent; those pertaining to guardianships under the name of the ward; those pertaining to a mentally ill, inebriate, mentally deficient, or epileptic person under the name of such person; those pertaining to wills deposited pursuant to section 525.22, under the name of the testator; after the name of each file shall be shown the file number and, if ordered by the court, the book and page of the register in which the documents pertaining to such file are listed; subject person, together with the case number and the date of the filing of the first document; and

(2) A register, properly indexed, in which shall be listed under the name of the decedent, ward, mentally ill, inebriate, mentally deficient, or epileptic person, or testator, all in which shall be entered the title of each proceeding, the case number and a listing of each documents document filed pertaining thereto and in the order filed; such list shall show the name of the document,

with the date of the filing thereof, and shall give a reference to the volume and page of any other book in which any record shall have been made of such document;

(3) A record of wills, properly indexed, in which shall be recorded all probated wills with the order of probate thereof;

(4) A record of bonds, if ordered by the court, properly indexed, in which may be recorded such bonds as may be ordered by the court to be recorded;

(5) A record of letters, properly indexed, in which shall be entered all letters testamentary, of administration, and of conservatorship or guardianship issued;

(6) A record of orders, properly indexed, in which shall be recorded all orders authorizing, or refusing to authorize, the sale, mortgage, or lease of real estate, or confirming, or refusing to confirm, the sale or lease of real estate; all orders directing, or refusing to direct, a conveyance or lease of real estate under contract; all orders vacating a previous appealable order, judgment, or decree; all orders refusing to vacate a previous appealable order, judgment, or decree alleged to have been procured by fraud or misrepresentation, or through surprise or excusable inadvertence or neglect; all judgments or decrees of partial or final distribution; all orders of distribution and general protection; and all orders granting or denying restoration to capacity.

## Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day after final enactment.*"

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

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

S.F. No. 1825: A bill for an act relating to the collection and dissemination of data; proposing the classification of certain welfare data as nonpublic; amending Minnesota Statutes 1980, Section 15.1691, Subdivision 6; Minnesota Statutes 1981 Supplement, Sections 15.781, Subdivision 1; and 15.791, Subdivision 9.

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

Mr. Knoll from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1671: A bill for an act relating to environment; providing for the chairmanship, staff, and administration of the environmental quality board; amending Minnesota Statutes 1980, Section 116C.03, Subdivision 2a, and by adding subdivisions; Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Sections 116C.04, Subdivisions 8 and 9; 116C.05; 116C.07; and Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivision 3.

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

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

S.F. No. 2126: A bill for an act relating to the attorney general; establishing a division of land title litigation in the office of the attorney general; proposing new law coded in Minnesota Statutes, Chapter 8.

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

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

S.F. No. 2095: A bill for an act relating to state government; implementing the provisions of certain reorganization orders issued by the commissioner of administration; amending Minnesota Statutes 1980, Sections 176.281; and 474.01, Subdivisions 7a and 7b; and Minnesota Statutes 1981 Supplement, Section 474.03.

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

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

S.F. No. 2036: A bill for an act relating to municipal industrial development; defining development projects; amending Minnesota Statutes 1980, Section 474.02, Subdivision 1b.

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

Page 1, line 13, strike "Such"

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

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

S.F. No. 2030: A bill for an act relating to economic development; granting power to the department of energy, planning and development with respect to community development corporation grants; amending Minnesota Statutes 1980, Section 362.41, by adding a subdivision.

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

Page 1, line 11, delete "department" and insert "commissioner"

Amend the title as follows:

Page 1, line 3, delete "department" and insert "commissioner"

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

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

S.F. No. 1988: A bill for an act relating to housing; directing the department of energy, planning and development to administer certain federal money; proposing new law coded in Minnesota Statutes, Chapter 362.

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

Page 2, after line 18, insert:

“Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment and applies to grants awarded during the federal fiscal year 1983 and subsequent years.”*

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

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

S.F. No. 1689: A bill for an act relating to the operation of state government; authorizing the legislative auditor to approve contracts for auditing state agencies; modifying authority of the housing finance agency and certain other agencies to contract for audits without approval; amending Minnesota Statutes 1980, Sections 3.972; and 462A.22, Subdivision 10.

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

Page 1, after line 10, insert:

“Section 1. Minnesota Statutes 1980, Section 3.97, Subdivision 4, is amended to read:

Subd. 4. ~~Until the expiration of his term the incumbent public examiner upon the effective date of this section shall continue in the legislative branch but as the legislative auditor. Thereafter, the commission shall appoint a legislative auditor. The legislative auditor is the executive secretary of the commission. After the expiration of the term of the incumbent public examiner the legislative auditor shall serve at the pleasure of the commission until May 1, 1977. Thereafter,~~ The legislative auditor shall be appointed by the commission for a six year term. He shall serve in the unclassified service. He shall not at any time while in office hold any other public office. The legislative auditor ~~appointed on May 2, 1977,~~ shall not be removed from his office before the expiration of his term of service except for cause after public hearing.”

Page 3, line 3, delete “and 2” and insert “to 3”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after “agencies;” insert “clarifying certain provisions regarding the term of the legislative auditor;”

Page 1, line 7, after “Sections” insert “3.97, Subdivision 4;”

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

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

S.F. No. 1921: A bill for an act relating to the legislature; creating a legislative fiscal office; requiring fiscal notes to accompany certain bills and admin-



istrative rules; appropriating money; amending Minnesota Statutes 1980, Sections 3.98, Subdivision 1; 15.0412, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 3; repealing Minnesota Statutes 1980, Section 3.98.

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 3.98, is amended by adding a subdivision to read:

*Subd. 3a. All bills which require the expenditure of public funds by local units of government shall be submitted to the chairman of the committee of ..... of the house of representatives and the chairman of the committee of ..... of the senate for review and comment before any action is taken on those bills by the standing committee to which the bill has been referred.”*

Delete the title and insert:

“A bill for an act relating to the legislature; requiring certain bills to be reviewed by certain committees; amending Minnesota Statutes 1980, Section 3.98, by adding a subdivision.”

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

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

S.F. No. 2026: A bill for an act relating to state government; authorizing the commissioner of the department of economic security to delegate certain powers; amending Minnesota Statutes 1980, Section 268.011, Subdivision 2.

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

Page 1, line 20, after “*director*” insert “*if the delegation has been approved by the commissioner of administration and filed with the secretary of state*”

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

Mr. Knoll from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1288: A bill for an act relating to agriculture; creating a family farm finance agency; authorizing the agency to issue bonds and to make loans for the acquisition of farm land; transferring the family farm security program to the agency; appropriating money; amending Minnesota Statutes 1980, Sections 41.51; 41.52, Subdivisions 1 and 10, and by adding subdivisions; 41.54, Subdivisions 1 and 4, and by adding a subdivision; 41.55; 41.57; 41.58, Subdivisions 1 and 3; 41.59, Subdivisions 1 and 2; and 41.60; Minnesota Statutes 1981 Supplement, Sections 41.52, Subdivisions 5, 8, and 9; 41.54, Subdivision 2; 41.56, Subdivisions 3 and 4; and 41.58, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 41; repealing Minnesota Statutes 1980, Sections 41.53; 41.54, Subdivisions 3 and 5; and 41.56, Subdivisions 5 and 6; and Minnesota Statutes 1981 Supplement, Section 41.56,

Subdivisions 1 and 2.

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

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

S.F. No. 2054: A bill for an act relating to the department of economic security; regulating community action programs and agencies; amending Minnesota Statutes 1981 Supplement, Sections 268.52, Subdivisions 1, 2, and 4; 268.53, Subdivisions 1, 2, and by adding subdivisions; 268.54, Subdivision 2.

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

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

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.

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

Delete everything after the enacting clause and insert:

“Section 1. [253B.01] [CITATION.]

*This chapter may be cited as the “Minnesota Commitment Act of 1982.”*

Sec. 2. [253B.02] [DEFINITIONS.]

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

*Subd. 2. [CHEMICALLY DEPENDENT PERSON.] “Chemically dependent person” means any person (a) determined as being incapable of managing himself or his affairs by reason of the habitual and excessive use of alcohol or drugs; and (b) whose recent conduct as a result of habitual and excessive use of alcohol or drugs poses a substantial likelihood of serious physical harm to himself or others as demonstrated by (i) a recent attempt or threat to seriously physically harm himself or others, (ii) evidence of recent serious physical problems, or (iii) a failure to provide necessary food, clothing, shelter, or medical care for himself.*

Subd. 3. [COMMISSIONER.] *"Commissioner"* means the commissioner of public welfare or his designee.

Subd. 4. [COMMITTING COURT.] *"Committing court"* means probate court.

Subd. 5. [DESIGNATED AGENCY.] *"Designated agency"* means an agency selected by the county board to provide services under this chapter.

Subd. 6. [EMERGENCY TREATMENT.] *"Emergency treatment"* means the treatment of a patient pursuant to section 5 which is necessary to protect the patient or others from immediate harm.

Subd. 7. [EXAMINER.] *"Examiner"* means a licensed physician or a licensed consulting psychologist, knowledgeable and trained in the diagnosis and treatment of the alleged impairment.

Subd. 8. [HEAD OF THE TREATMENT FACILITY.] *"Head of the treatment facility"* means the person who is charged with overall responsibility for the professional program of care and treatment of the facility or his designee.

Subd. 9. [HEALTH OFFICER.] *"Health officer"* means a licensed physician, licensed consulting psychologist, psychiatric social worker, or psychiatric or public health nurse and formally designated members of a pre-petition screening unit established by section 7.

Subd. 10. [INTERESTED PERSON.] *"Interested person"* means an adult, including but not limited to, a public official, and the legal guardian, spouse, parent, legal counsel, adult child, next of kin, or other person designated by a proposed patient.

Subd. 11. [LICENSED CONSULTING PSYCHOLOGIST.] *"Licensed consulting psychologist"* means a person as defined by section 148.91, subdivision 4.

Subd. 12. [LICENSED PHYSICIAN.] *"Licensed physician"* means a person licensed in Minnesota to practice medicine or a medical officer of the government of the United States in performance of his official duties.

Subd. 13. [MENTALLY ILL PERSON.] *"Mentally ill person"* means any person who has a substantial psychiatric disorder of thought, mood, perception, orientation, or memory which grossly impairs judgment, behavior, capacity to recognize reality, or to reason or understand, which (a) is manifested by instances of grossly disturbed behavior or faulty perceptions; and (b) poses a substantial likelihood of physical harm to himself or others demonstrated by (i) a recent attempt or threat to physically harm himself or others, or (ii) a failure to provide necessary food, clothing, shelter or medical care for himself, as a result of the impairment. This impairment excludes (a) epilepsy, (b) mental retardation, (c) brief periods of intoxication caused by alcohol or drugs, or (d) dependence upon or addiction to any alcohol or drugs.

Subd. 14. [MENTALLY RETARDED PERSON.] *"Mentally retarded person"* means any person (a) who has been diagnosed as having significantly subaverage intellectual functioning existing concurrently with demonstrated deficits in adaptive behavior; and (b) whose recent conduct is a result of mental retardation and poses a substantial likelihood of physical harm to himself or others in that there has been (i) a recent attempt or threat to seriously physi-

cally harm himself or others, or (ii) a failure and inability to provide necessary food, clothing, shelter, safety, or medical care for himself.

*Subd. 15. [PATIENT.] "Patient" means any person who is hospitalized or committed under this chapter.*

*Subd. 16. [PERSON MENTALLY ILL AND DANGEROUS TO THE PUBLIC.] A "person mentally ill and dangerous to the public" is a person (a) who is mentally ill; and (b) who as a result of that mental illness presents a clear danger to the safety of others as demonstrated by the facts that (i) the person has engaged in an overt act causing or attempting to cause serious physical harm to another and (ii) there is a substantial likelihood that the person will engage in acts capable of inflicting serious physical harm on another. A person diagnosed as having a psychopathic personality as defined in section 526.09 is also a person mentally ill and dangerous to the public.*

*Subd. 17. [PEACE OFFICER.] "Peace officer" means a sheriff, or municipal or other local police officer, or a state highway patrol officer.*

*Subd. 18. [REGIONAL CENTER.] "Regional center" means any state operated facility for mentally ill, mentally retarded or chemically dependent persons which is under the direct administrative authority of the commissioner of public welfare.*

*Subd. 19. [TREATMENT FACILITY.] "Treatment facility" means a hospital, community mental health center, or other institution qualified to provide care and treatment for mentally ill, mentally retarded, or chemically dependent persons.*

### Sec. 3. [253B.03] [RIGHTS OF PATIENTS.]

*Subdivision 1. [RESTRAINTS.] A patient has the right to be free from restraints. Restraints shall not be applied to a patient unless the head of the treatment facility or a member of the medical staff determines that they are necessary for the safety of the patient or others. Each use of a restraint and reason for it shall be made part of the clinical record of the patient under the signature of the head of the treatment facility.*

*Subd. 2. [CORRESPONDENCE.] A patient has the right to correspond freely without censorship. The head of the treatment facility may restrict correspondence if he determines that the medical welfare of the patient requires it. The determination may be reviewed by the commissioner. Any limitation imposed on the exercise of a patient's correspondence rights and the reason for it shall be made a part of the clinical record of the patient. Any communication which is not delivered to a patient shall be immediately returned to the sender.*

*Subd. 3. [VISITORS AND PHONE CALLS.] Subject to the general rules of the treatment facility, a patient has the right to receive visitors and make phone calls. The head of the treatment facility may restrict visits and phone calls if he determines that the medical welfare of the patient requires it. Any limitation imposed on the exercise of the patient's visitation and phone call rights and the reason for it shall be made a part of the clinical record of the patient.*

*Subd. 4. [SPECIAL VISITATION; RELIGION.] A patient has the right to meet with or call his personal physician, spiritual advisor, and counsel at all reasonable times. The patient has the right to continue the practice of his religion.*

*Subd. 5. [PERIODIC ASSESSMENT.] A patient has the right to periodic medical assessment. The head of a treatment facility shall have the physical and mental condition of every patient assessed as frequently as necessary, but not less often than annually.*

*Subd. 6. [CONSENT FOR MEDICAL PROCEDURE.] A patient has the right to prior consent to any medical or surgical treatment, other than the treatment of mental illness, mental retardation or chemical dependency. The following procedures shall be used to obtain consent for any treatment necessary to preserve the life or health of any committed patient:*

*(1) The consent of a competent adult patient for the treatment is sufficient.*

*(2) If the patient is subject to guardianship or conservatorship which includes the provision of medical care, the consent of the guardian or conservator for the treatment is sufficient.*

*(3) If the head of the treatment facility determines that the patient is not competent to consent to the treatment and the patient has not been adjudicated incompetent, consent for the surgery shall be obtained from the nearest proper relative. For this purpose, the following persons are proper relatives, in the order listed: the patient's spouse, parent, adult child, or adult sibling. If the nearest proper relatives cannot be located or refuse to consent to the procedure, the head of the treatment facility or an interested person may petition the committing court for approval for the treatment or may petition an appropriate court for the appointment of a guardian or conservator. The determination that the patient is not competent, and the reasons for the determination, shall be documented in the patient's clinical record.*

*(4) Consent for a medical procedure upon a minor shall be governed by other provisions of law relating to the provision of treatment to minors.*

*(5) In the case of an emergency and when the persons ordinarily qualified to give consent cannot be located, the head of the treatment facility may give consent.*

*No person who consents to treatment pursuant to the provisions of this subdivision shall be civilly or criminally liable for the performance or the manner of performing the treatment. No person shall be liable for performing treatment without consent if consent was given pursuant to this subdivision. This provision shall not affect any other liability which may result from the manner in which the operation is performed.*

*Subd. 7. [PROGRAM PLAN.] A person receiving services under this chapter has the right to receive proper care and treatment, best adapted, according to contemporary professional standards, to rendering further custody, institutionalization, or other services unnecessary. The treatment facility shall devise a written program plan for each person which describes in behavioral terms the case problems, the precise goals, including the expected period of time for treatment, and the specific measures to be employed. Each plan shall be reviewed at least quarterly to determine progress toward the goals, and to modify the program plan as necessary. The program plan shall be devised and reviewed with the designated agency and with the patient. The clinical record shall reflect the program plan review. If the designated agency or the patient does not participate in the planning and review, the clinical record shall include reasons for non-participation and the plans for future*

*involvement. The department of public welfare shall monitor the program plan and review process for regional centers to insure compliance with the provisions of this subdivision.*

*Subd. 8. [MEDICAL RECORDS.] A patient has the right to access to his medical records. Notwithstanding the provisions of section 144.335, subdivision 2, every person subject to a proceeding or receiving services pursuant to this chapter shall have complete access to all medical records relevant to commitment proceedings.*

*Subd. 9. [RIGHT TO COUNSEL.] A patient has the right to be represented by counsel at any proceeding under this chapter. The court shall appoint counsel to represent the proposed patient if neither the proposed patient nor others provide counsel. Counsel shall be appointed at the time a petition is filed pursuant to section 7. Counsel shall have the full right of subpoena. In all proceedings under this chapter, counsel shall: (1) consult with the person prior to any hearing; (2) be given adequate time to prepare for all hearings; (3) continue to represent the person throughout any proceedings under this charge unless released as counsel by the court; and (4) be a vigorous advocate on behalf of his client.*

*Subd. 10. [NOTIFICATION.] All persons admitted or committed to a treatment facility shall be notified in writing of their rights under this chapter at the time of admission.*

#### Sec. 4. [253B.04] [INFORMAL ADMISSION PROCEDURES.]

*Subdivision 1. [ADMISSION.] Any person 16 years of age or older may request to be admitted to a treatment facility as an informal patient for observation, evaluation, diagnosis, care and treatment without making formal written application. The head of the treatment facility shall not arbitrarily withhold consent.*

*Subd. 2. [RELEASE.] Every patient admitted for mental illness or mental retardation under this section shall be informed in writing at the time of his admission that he has a right to leave the facility within 12 hours of his request, unless held under another provision of this chapter. The request shall be submitted in writing to the head of the treatment facility. The head of the treatment facility may detain a person admitted for chemical dependency for three days, exclusive of Saturdays, Sundays, and legal holidays, after the date of the demand for release. If the head of the treatment facility deems it to be in the best interest of the person, his family, or the public, he shall petition for the commitment of the person pursuant to section 7.*

#### Sec. 5. [253B.05] [EMERGENCY ADMISSION.]

*Subdivision 1. [EMERGENCY HOLD.] Any person may be admitted or held for emergency care and treatment in a treatment facility with the consent of the head of the treatment facility upon a written statement by an examiner that: (1) he has examined the person not more than 15 days prior to admission, (2) he is of the opinion, for stated reasons, that the person is mentally ill, mentally retarded or chemically dependent, and is in imminent danger of causing injury to himself or others if not immediately restrained, and (3) an order of the court cannot be obtained in time to prevent the anticipated injury.*

*The statement shall be: (1) sufficient authority for a peace or health officer*

to transport a patient to a treatment facility, (2) stated in behavioral terms and not in conclusory language, and (3) of sufficient specificity to provide an adequate record for review. A copy of the statement shall be personally served on the person immediately upon admission. A copy of the statement shall be maintained by the treatment facility.

Subd. 2. [PEACE OR HEALTH OFFICER HOLD.] (a) A peace or health officer may take a person into custody and transport him to a licensed physician or treatment facility if the officer has reason to believe that the person is mentally ill, mentally retarded or chemically dependent and in imminent danger of injuring himself or others if not immediately restrained. If the person is not endangering himself or any person or property, the peace or health officer may transport the person to his home. Application for admission of the person to a treatment facility shall be made by the peace or health officer. The application shall contain a statement given by the peace or health officer specifying the reasons for and circumstances under which the person was taken into custody. A copy of the statement shall be made available to the person taken into custody.

(b) A person may be admitted to a treatment facility for emergency care and treatment under this subdivision with the consent of the head of the facility if a written statement is made by the medical officer on duty at the facility that after preliminary examination the person has symptoms of mental illness, mental retardation or chemical dependency and appears to be in imminent danger of harming himself or others.

Subd. 3. [DURATION OF HOLD.] Any person held pursuant to this section may be held up to 72 hours, exclusive of Saturdays, Sundays, and legal holidays, after admission unless a petition for the commitment of the person has been filed in the probate court of the county of the person's residence or of the county in which the facility is located and the court issues an order pursuant to section 7, subdivision 6. If the head of the facility believes that commitment is required and no petition has been filed, he shall file a petition for the commitment of the person. The hospitalized person may move to have the venue of the petition changed to the probate court of the county of his residence, if he is a resident of Minnesota.

Subd. 4. [CHANGE OF STATUS.] Any person admitted pursuant to this section shall be changed to the informal status provided by section 4 upon his request in writing and with the consent of the head of the treatment facility.

Subd. 5. [NOTICE.] Every person held pursuant to this section shall be informed in writing at the time of admission of his rights to leave after 72 hours, to a medical examination within 48 hours, to change of venue, and to change to informal status. The head of the treatment facility shall, upon request, assist the person in exercising the rights granted in this subdivision.

Sec. 6. [253B.06] [MEDICAL EXAMINATION.] The head of a treatment facility shall arrange to have every patient hospitalized pursuant to section 4 or section 5 examined by a physician as soon as possible but no more than 48 hours following the time of admission.

At the end of a 48 hour period, any patient admitted pursuant to section 5 shall be discharged if an examination has not been held or if the examiner fails to notify the head of the treatment facility in writing that in his opinion the

*patient is apparently in need of care, treatment, and evaluation as a mentally ill, mentally retarded, or chemically dependent person.*

**Sec. 7. [253B.07] [JUDICIAL COMMITMENT; PRELIMINARY PROCEDURES.]**

*Subdivision 1. [PRE-PETITION SCREENING.] (a) Prior to filing a petition for commitment of a proposed patient, a prospective petitioner shall apply to the designated agency in the county of the proposed patient's residence or presence for conduct of a preliminary investigation. The designated agency shall appoint a screening team to conduct an investigation which shall include:*

*(i) a personal interview with the proposed patient and other individuals who appear to have knowledge of the condition of the proposed patient. If the proposed patient is not interviewed, reasons must be documented;*

*(ii) identification and investigation of specific alleged conduct which is the basis for application; and*

*(iii) identification, exploration, and listing of the reasons for rejecting or recommending alternatives to involuntary placement.*

*(b) In conducting the investigation required by this subdivision, the screening team shall have access to all relevant medical records of proposed patients currently in treatment facilities. Data collected pursuant to this clause shall be considered private data on individuals.*

*(c) When the pre-petition screening team recommends commitment, a written report shall be sent to the county attorney for the county in which the petition is to be filed.*

*(d) If, upon completion of the investigation, the proposed patient is willing to enter treatment voluntarily or it appears that the clinical evidence does not warrant commitment, the pre-petition screening team shall refuse to support a petition.*

*(e) If the interested person wishes to proceed with a petition contrary to the recommendation of the pre-petition screening team, application may be made directly to the county attorney, who may determine whether or not to proceed with the petition. Notice of the county attorney's determination shall be provided to the interested party.*

*(f) If a court petitions for commitment pursuant to the rules of criminal procedure, the pre-petition investigation required by this section shall be completed within seven days after the filing of the petition.*

*Subd. 2. [THE PETITION.] Any interested person may file a petition for commitment in the probate court of the county of the proposed patient's residence or presence. The petition shall set forth the name and address of the proposed patient, the name and address of his nearest relatives, and the reasons for the petition. The petition must contain factual descriptions of the proposed patient's recent behavior, including a description of the behavior, where it occurred, and over what period of time it occurred. Each factual allegation must be supported by observations of witnesses named in the petition. Petitions shall be stated in behavioral terms and shall not contain judgmental or conclusory statements. The petition shall be accompanied by a written statement by an examiner stating that he has examined the proposed*



patient within the 15 days preceding the filing of the petition and is of the opinion that the proposed patient is suffering a designated disability and should be committed to a treatment facility. The statement shall include the reasons for the opinion. If a petitioner has been unable to secure a statement from an examiner, the petition shall include documentation that a reasonable effort has been made to secure the supporting statement.

*Subd. 3. [EXAMINERS.]* After a petition has been filed, the probate court shall appoint an examiner. At the proposed patient's request, the court shall appoint a second examiner of the patient's choosing to be paid for by the county at a rate of compensation fixed by the court.

*Subd. 4. [PRE-HEARING EXAMINATION; NOTICE AND SUMMONS PROCEDURE.]* A summons to appear for a pre-hearing examination and the commitment hearing shall be served upon the proposed patient. A plain language notice of the proceedings and notice of the filing of the petition, a copy of the petition, a copy of the physician's supporting statement, and the order for examination and a copy of the pre-petition screening report shall be given to the proposed patient, his counsel, the petitioner, any interested person, and any other persons as the court directs. All papers shall be served personally on the proposed patient. Unless otherwise ordered by the court, the notice shall be served on the proposed patient by a non-uniformed person.

*Subd. 5. [PRE-HEARING EXAMINATION; REPORT.]* The examination shall be held at a treatment facility or other suitable place the court determines is not likely to have a harmful effect on the health of the proposed patient. The county attorney and the patient's attorney shall be permitted to be present during the examination. Either party may waive this right. Unless otherwise agreed by the counsel for the proposed patient, a court appointed examiner shall file three copies of his report with the court not less than 48 hours prior to the hearing. Copies of the examiner's report shall be sent to the proposed patient and his counsel.

*Subd. 6. [APPREHEND AND HOLD ORDERS.]* When there has been a particularized showing by the petitioner that serious imminent physical harm to the proposed patient or others is likely unless the proposed patient is apprehended or when the proposed patient has not voluntarily appeared for the examination or the commitment hearing pursuant to the summons, the court may direct a health officer, peace officer, or other person to take the proposed patient into custody and transport him to a treatment facility for observation, evaluation, diagnosis, care, treatment, and, if necessary, confinement. The order of the court may be executed on any day and at any time by the use of all necessary means including the imposition of necessary restraint upon the proposed patient. Unless otherwise ordered by the court, a peace officer taking the proposed patient into custody pursuant to this subdivision shall not be in uniform and shall not use a motor vehicle visibly marked as a police vehicle.

*Subd. 7. [PROBABLE CAUSE HEARING.]* (a) No proposed patient may be held pursuant to subdivision 6 for longer than 72 hours, exclusive of Saturdays, Sundays, and legal holidays, unless the court holds a preliminary hearing and determines that probable cause exists to continue to hold him.

(b) The proposed patient, his counsel, the petitioner, the county attorney, and any other persons as the court directs shall be given at least 24 hours written notice of the preliminary hearing. The notice shall include the alleged

grounds for confinement. The proposed patient shall be represented at the preliminary hearing by counsel. If the court finds it to be reliable, it may admit hearsay evidence, including written reports.

(c) The court may order the continued holding of the proposed patient if it finds, by a preponderance of the evidence, that serious imminent physical harm to the patient or others is likely if the proposed patient is not confined.

Sec. 8. [253B.08] [JUDICIAL COMMITMENT; HEARING PROCEDURES.]

*Subdivision 1. [TIME FOR COMMITMENT HEARING.] The hearing on the commitment petition shall be held within 14 days from the date of the filing of the petition. For good cause shown, the court may extend the time of hearing up to an additional 30 days. When any proposed patient has not had a hearing on a petition filed for his commitment within the allowed time, the proceedings shall be dismissed. The proposed patient, or the head of the treatment facility in which he is held, may demand in writing at any time that the hearing be held immediately. Unless the hearing is held within five days of the date of the demand, exclusive of Saturdays, Sundays and legal holidays, the petition shall be automatically discharged if the patient is being held in a treatment facility pursuant to court order. For good cause shown, the court may extend the time of hearing on the demand for an additional ten days.*

*Subd. 2. [NOTICE OF HEARING.] The proposed patient, his counsel, the petitioner, and any other persons as the court directs shall be given at least five days' notice that a hearing will be held and at least two days' notice of the time and date of the hearing, except that any person may waive notice. Notice to the proposed patient may be waived by patient's counsel. If the proposed patient has no residence in this state, the commissioner shall be notified of the proceedings by the court.*

*Subd. 3. [RIGHT TO ATTEND AND TESTIFY.] All persons to whom notice has been given may attend the hearing and, except for the proposed patient's counsel, may testify. The court shall notify them of their right to attend the hearing and to testify. The court may exclude any person not necessary for the conduct of the proceedings from the hearings except any person requested to be present by the proposed patient. Nothing in this section shall prevent the court from ordering the sequestration of any witness or witnesses other than the petitioner or proposed patient.*

*Subd. 4. [WITNESSES.] The proposed patient or his counsel and the petitioner may present and cross-examine witnesses, including examiners, at the hearing. The court may in its discretion receive the testimony of any other person. Opinions of court-appointed examiners shall not be admitted into evidence unless the examiner is present to testify, except by agreement of the parties.*

*Subd. 5. [ABSENCE PERMITTED.] The court may permit the proposed patient to waive his right to attend the hearing if it determines that the waiver is freely given. All waivers shall be on the record. At the time of the hearing the patient shall not be so under the influence or suffering from the effects of drugs, medication, or other treatment so as to be hampered in participating in the proceedings. When in the opinion of the licensed physician or licensed consulting psychologist attending the patient the discontinuance of drugs, medi-*

cation, or other treatment is not in the best interest of the patient, the court, at the time of the hearing, shall be presented a record of all drugs, medication or other treatment which the patient has received during the 48 hours immediately prior to the hearing.

**Subd. 6. [PLACE OF HEARING.]** *The hearing shall be conducted in a manner consistent with orderly procedure. The hearing shall be held at a courtroom meeting standards prescribed by local court rule which may be at a treatment facility.*

**Subd. 7. [EVIDENCE.]** *The court shall admit all relevant evidence at the hearing. The court shall make its determination upon the entire record pursuant to the rules of evidence.*

**Subd. 8. [RECORD REQUIRED.]** *The court shall keep accurate records containing, among other appropriate materials, notations of appearances at the hearing, including witnesses, motions made and their disposition, and all waivers of rights made by the parties. The court shall take and preserve an accurate stenographic record or tape recording of the proceedings.*

**Sec. 9. [253B.09] [DECISION; STANDARD OF PROOF; DURATION.]**

**Subdivision 1. [STANDARD OF PROOF.]** *If the court finds by clear and convincing evidence that the proposed patient is a mentally ill, mentally retarded, or chemically dependent person and, that after careful consideration of reasonable alternative dispositions, including but not limited to, dismissal of petition, voluntary outpatient care, informal admission to a treatment facility, appointment of a guardian or conservator, or release before commitment as provided for in subdivision 4, it finds that there is no suitable alternative to judicial commitment, the court shall commit the patient to the least restrictive treatment facility which can meet the patient's treatment needs consistent with section 3, subdivision 7.*

**Subd. 2. [FINDINGS.]** *The court shall find the facts specifically, separately state its conclusions of law, and direct the entry of an appropriate judgment. Where commitment is ordered, the findings of fact and conclusions of law shall specifically state the proposed patient's conduct which is a basis for determining that each of the requisites for commitment is met.*

*If commitment is ordered, the findings shall also include a listing of less restrictive alternatives considered and rejected by the court and the reasons for rejecting each alternative.*

**Subd. 3. [FINANCIAL DETERMINATION.]** *The court shall determine the nature and extent of the property of the patient and of the persons who are liable for the patient's care. If the patient is committed to a regional facility, a copy shall be transmitted to the commissioner.*

**Subd. 4. [RELEASE BEFORE COMMITMENT.]** *After the hearing and before a commitment order has been issued, the court may release a proposed patient to the custody of any individual or agency upon conditions which guarantee the care and treatment of the patient. No person against whom a criminal proceeding is pending shall be released.*

*The court, on its own motion or upon the petition of any person, and after notice and a hearing, may revoke any release and commit the proposed patient pursuant to this chapter.*

*Subd. 5. [INITIAL COMMITMENT PERIOD.] (a) For persons committed as mentally retarded, the initial commitment shall not exceed 60 days. There shall be a review of the commitment before the end of 60 days pursuant to section 12.*

*(b) For persons committed as mentally ill, the initial commitment shall not exceed six months. At least 60 days, but not more than 90 days, after the commencement of the initial commitment of a person as mentally ill, the head of the facility shall file an interim written report with the committing court with a copy to the patient and his counsel. The report shall set forth the information required in section 12, subdivision 1. If no written report is filed within the required time, or if it describes the patient as not in need of further institutional care and treatment or outpatient supervision, the proceedings shall be terminated by the committing court, and the patient shall be discharged from the treatment facility.*

*(c) For persons committed as chemically dependent, the initial commitment shall not exceed 45 days. There shall be a review of the commitment before the end of the 45 days pursuant to section 12. Any subsequent commitment, within two years after a final discharge from commitment, shall not exceed 60 days. There shall be a review of the subsequent commitment before the end of 60 days pursuant to section 12. Commitment proceedings initiated more than two years after a previous final discharge may, after a review by the court of all relevant facts, be treated by the committing court as a petition for initial commitment.*

#### Sec. 10. [253B.10] [PROCEDURES FOR COMMITMENT.]

*Subdivision 1. [ADMINISTRATIVE REQUIREMENTS.] When a person is committed, the court shall issue a warrant in duplicate, committing the patient to the custody of the head of the treatment facility. Upon the arrival of a patient at the designated treatment facility, the head of the facility shall retain the duplicate of the warrant and endorse his receipt upon the original warrant, which shall be filed in the court of commitment. After arrival, the patient shall be under the control and custody of the head of the treatment facility.*

*Copies of the petition for commitment, the court's findings of fact and conclusions of law, the court order committing the patient, the report of the examiners, and the pre-petition report shall be provided to the treatment facility at the time of admission.*

*Subd. 2. [TRANSPORTATION.] When a proposed patient is about to be placed in a treatment facility, the court may order any responsible adult to transport the patient to the treatment facility. Unless otherwise ordered by the court, a peace officer who provides the transportation shall not be in uniform and shall not use a vehicle visibly marked as a police vehicle. The proposed patient may be accompanied by one or more interested persons.*

*When a proposed patient requests a change of venue or when a hearing is to be held for adjudication of a patient's status pursuant to section 17, the commissioner shall provide transportation.*

*Subd. 3. [NOTICE OF ADMISSION.] Whenever a committed person has been admitted to a treatment facility under the provisions of sections 9 or 18, the head of the facility shall immediately notify the patient's spouse or parent and the county of the patient's legal residence if the county may be liable for a portion of the cost of institutionalization. If the committed person was admitted*

upon the petition of a spouse or parent the head of the treatment facility shall notify an interested person other than the petitioner.

*Subd. 4. [PRIVATE INSTITUTIONALIZATION.] Patients or other responsible persons are required to pay the necessary charges for patients committed or transferred to private treatment facilities. Private treatment facilities may refuse to accept a committed person.*

Sec. 11. [253B:11] [CONFINEMENT IN JAIL.]

*Subdivision 1. [RESTRICTION.] Except when ordered by the court pursuant to a finding of necessity to protect the life of the proposed patient or others, no person subject to the provisions of this chapter shall be confined in jail or correctional institution, except pursuant to chapters 242 or 244.*

*Subd. 2. [FACILITIES.] Each county or a group of counties shall maintain or provide by contract a facility for confinement of persons held temporarily for observation, evaluation, diagnosis, treatment, and care. When the confinement is provided at a regional center, the commissioner shall charge the responsible county for the costs of confinement. The charge shall be based on the commissioner's determination of the average per capita cost, other than that paid from the Minnesota state building fund, for persons hospitalized pursuant to section 5, subdivision 2 and section 7, subdivision 6, at all of the regional centers during the prior fiscal year.*

*Subd. 3. [TREATMENT.] The designated agency shall take reasonable measures to assure proper care and treatment of a person temporarily detained pursuant to this section.*

Sec. 12. [253B:12] [TREATMENT REPORT; REVIEW; HEARING.]

*Subdivision 1. [REPORT.] Prior to the termination of the initial commitment order or discharge of the patient, the head of the facility shall file a written report with the committing court with a copy to the patient and his counsel, setting forth in detailed narrative form at least the following: (1) the diagnosis of the patient with the supporting data; (2) the anticipated discharge date; (3) an individualized treatment plan; (4) a detailed description of the discharge planning process with suggested after care plan; (5) whether the patient is in need of further care and treatment with evidence to support the response; (6) whether any further care and treatment must be provided in a treatment facility with evidence to support the response; (7) whether in his opinion the patient must continue to be committed to a treatment facility; and (8) whether in his opinion the patient satisfies the statutory requirement for continued commitment, with documentation to support the opinion.*

*Subd. 2. [BASIS FOR DISCHARGE.] If no written report is filed within the required time or if the written statement describes the patient as not in need of further institutional care and treatment, the proceedings shall be terminated by the committing court, and the patient shall be discharged from the treatment facility. The commitment of a person committed as mentally ill shall automatically terminate at the end of the initial commitment period unless a new petition is filed pursuant to section 7 to continue the commitment.*

*Subd. 3. [EXAMINATION.] Prior to the hearing, the court shall inform the patient that he is entitled to an independent examination by an examiner chosen by the patient and appointed in accordance with provisions of section*

7, subdivision 3. *The report of the examiner may be submitted at the hearing.*

**Subd. 4. [HEARING; STANDARD OF PROOF.]** *The probate court shall not make a final determination of the need to continue commitment unless a hearing is held and the court finds by clear and convincing evidence that (1) the person continues to be mentally ill, mentally retarded or chemically dependent; (2) involuntary commitment is necessary for the protection of the patient or others; and (3) there is no alternative to involuntary commitment.*

*In determining whether a person continues to be mentally ill, the court need not find that there has been a recent attempt or threat to physically harm himself or others, or a recent failure to provide necessary food, clothing, shelter, or medical care for himself. Instead, the court must find that the patient is likely to attempt to physically harm himself or others, or to fail to provide necessary food, clothing, shelter, or medical care for himself unless involuntary commitment is continued.*

**Subd. 5. [TIME FOR HEARING.]** *The hearing shall be held within 14 days after receipt by the committing court of the report of the head of the treatment facility. The court may continue the hearing for good cause shown.*

*The patient, his counsel, the petitioner, and other persons as the court directs shall be given at least five days notice of the time and place of the hearing.*

**Subd. 6. [WAIVER.]** *A patient, after consultation with his counsel, may waive any hearing under this section or section 13 in writing. The waiver shall be signed by the patient and his counsel. The waiver must be submitted to the committing court.*

**Subd. 7. [RECORD REQUIRED.]** *Where continued commitment is ordered, the findings of fact and conclusions of law shall specifically state the conduct of the proposed patient which is the basis for the final determination, that the statutory criteria of commitment continue to be met, and that less restrictive alternatives have been considered and rejected by the court. Reasons for rejecting each alternative shall be stated. A copy of the final order for continued commitment shall be forwarded to the head of the treatment facility.*

**Subd. 8. [TRANSFER TO INFORMAL STATUS.]** *At any time prior to the expiration of the initial commitment period a patient who has not been committed as mentally ill and dangerous to the public may be transferred to informal status upon his application in writing with the consent of the head of the facility. Upon transfer the head of the treatment facility shall immediately notify the court in writing and the court shall terminate the proceedings.*

### **Sec. 13. [253B.13] [DURATION OF CONTINUED COMMITMENT.]**

**Subdivision 1. [MENTALLY ILL PERSONS.]** *If at the conclusion of a hearing held pursuant to section 12, it is found that the criteria for continued commitment have been satisfied, the court shall determine the probable length of commitment necessary. No period of commitment shall exceed this length of time or 12 months, whichever is less. At the conclusion of the prescribed period, commitment may not be continued unless a new petition is filed pursuant to section 7 and hearing and determination made on it.*

**Subd. 2. [MENTALLY RETARDED PERSONS.]** *If, at the conclusion of a hearing held pursuant to section 12, it is found that a person continues to be*

mentally retarded, the court shall order commitment of the person for a period not to exceed one year. Additional annual renewals of that commitment may be imposed as follows:

(a) Thirty days prior to the expiration of the annual commitment period the head of the treatment facility shall file a written statement with the committing court and a copy of it with the commissioner and the patient's counsel, setting forth findings as to the condition of the patient; a diagnosis of the patient; whether the patient is in need of further care and treatment; whether the care and treatment, if any, must be provided in a treatment facility and if so what type.

(b) If no written statement is filed within the required time or if the written statement describes the patient as not in need of further institutional care and treatment, the proceedings shall be terminated by the committing court and the patient shall be discharged from the facility.

(c) If the written statement describes the patient as being in need of further institutional care and treatment, the committing court shall consider that finding in making its final determination. In addition, the committing court may examine the patient's records, request the patient to appear, and make other pertinent inquiries with respect to the patient's present need for confinement.

(d) If the court finds that the patient is not in need of further institutional care and treatment, the court shall order the head of the treatment facility to discharge the patient. If the court finds that the patient is in need of further institutional care and treatment, the court shall issue an order renewing the patient's commitment for an additional one year period.

Subd. 3. [CHEMICALLY DEPENDENT PERSONS.] If, at the conclusion of a hearing held pursuant to section 12, it is found that a person continues to be chemically dependent, the court shall order the continued commitment of the person for a period of time not to exceed one year.

#### Sec. 14. [253B.14] [TRANSFER OF COMMITTED PERSONS.]

The commissioner may transfer any committed person from one regional center to any other institution under his jurisdiction which is capable of providing proper care and treatment. When a committed person is transferred from one treatment facility to another, written notice shall be given to the committing court and to his parent or spouse or, if none is known, to an interested person, and the designated agency.

#### Sec. 15. [253B.15] [PROVISIONAL DISCHARGE; PARTIAL INSTITUTIONALIZATION.]

Subdivision 1. [PROVISIONAL DISCHARGE.] The head of the treatment facility may provisionally discharge any patient without discharging the commitment, unless he was found by the committing court to be mentally ill and dangerous to the public.

Each patient released on provisional discharge shall have an aftercare plan developed which specifies the expected period of provisional discharge, the precise goals for the granting of a final discharge, and conditions or restrictions on the patient during the period of the provisional discharge.

The aftercare plan shall be reviewed on a quarterly basis by the patient,

designated agency and other appropriate persons. The aftercare plan shall contain the grounds upon which a provisional discharge may be revoked. The provisional discharge shall terminate on the date specified in the plan unless specific action is taken to revoke or extend it.

*Subd. 2. [REVOCAION OF PROVISIONAL DISCHARGE.]* The head of the treatment facility may revoke a provisional discharge if the patient has violated material conditions of the provisional discharge, and the violation creates a probable danger of harm to the patient or others if the provisional discharge is not revoked.

Any interested person, including the designated agency, may request that the head of the treatment facility revoke the patient's provisional discharge. Any person making a request shall provide the head of the treatment facility with a written report setting forth the specific facts, including witnesses, dates and locations, supporting a revocation, demonstrating that every effort has been made to avoid revocation and that revocation is the least restrictive alternative available.

*Subd. 3. [PROCEDURE; NOTICE.]* When the possibility of revocation becomes apparent, the designated agency shall notify the patient and all participants in the plan, and every effort shall be made to prevent revocation:

Revocation shall be commenced by a notice of intent to revoke provisional discharge, which shall be served upon the patient, his attorney, and the designated agency. The notice shall set forth the grounds upon which the intention to revoke is based, and shall inform the patient of his rights under this chapter.

*Subd. 4. [REVIEW; HEARING.]* Any interested person or the patient may request review of the intended revocation by notifying the head of the facility within 14 days of service of the notice upon the patient. Upon receipt of a request, the head of the treatment facility shall immediately file with the committing court a petition for review of the notice of intent to revoke. Any interested person or the patient may also file a petition for review. The court shall hold a hearing on the petition within 14 days of the filing of the petition. If the patient requests an immediate hearing, it shall be held within five days of the request.

At the hearing, the burden of proof shall be upon the party seeking revocation. At the conclusion of the hearing, the court shall find the facts specifically, and may order that the patient's provisional discharge be revoked and the patient returned to the facility. The court shall affirm the revocation if it finds a factual basis for revocation due to a violation of the terms of provisional discharge or a probable danger of harm to the patient or others if the provisional discharge is not revoked. Otherwise the court shall order a return to provisional discharge status.

If neither the patient nor others requests a review hearing within 14 days, the revocation is final and the court, without hearing, may order the patient returned to the facility.

*Subd. 5. [RETURN TO FACILITY.]* The head of the treatment facility may apply to the committing court for an order directing that the patient be returned to the facility. The court may order the patient returned to the facility prior to a review hearing only upon finding that immediate return to the facility is necessary to avoid serious, imminent harm to the patient or others.



*Subd. 6. [EXCEPTION.] During the first 60 days of a provisional discharge, the head of the treatment facility, upon finding that either of the conditions set forth in subdivision 1 exists, may revoke the provisional discharge without being subject to the provisions of subdivisions 2 to 5.*

*Subd. 7. [EXTENSION OF PROVISIONAL DISCHARGE.] (a) A provisional discharge may be extended if the patient has not achieved the goals set forth in the provisional discharge plan or continues to need the supervision or assistance provided by an extension of the provisional discharge. The designated agency shall recommend extension of a provisional discharge only after a preliminary conference with the patient and other appropriate persons. The patient shall be given the opportunity to object or make suggestions for alternatives to extension.*

*(b) Any recommendation for extension shall be made in writing to the head of the treatment facility and with a copy to the patient at least 30 days prior to the expiration of the provisional discharge. The written recommendation shall include: the specific grounds for recommending the extension, the date of the preliminary conference and results, the anniversary date of the provisional discharge, the termination date of the provisional discharge, and the proposed length of extension. If the grounds for recommending the extension occur less than 30 days before the expiration, the written recommendation shall be made as soon as practicable.*

*(c) The head of the facility shall issue a written decision regarding extension within five days after receiving the recommendation from the designated agency. In determining whether the provisional discharge is to be extended, the head of the treatment facility shall consider the willingness and ability of the patient to voluntarily obtain needed care and treatment.*

*Subd. 8. [EFFECT OF EXTENSION.] No provisional discharge, revocation, or extension shall extend the term of the commitment beyond the period provided for in the commitment order.*

*Subd. 9. [EXPIRATION OF PROVISIONAL DISCHARGE.] Except as otherwise provided, a provisional discharge is absolute when it expires. If, while on provisional discharge or extended provisional discharge, a patient is discharged as provided in section 16, the discharge shall be absolute.*

*Notice of the expiration of the provisional discharge shall be given by the head of the treatment facility to the committing court, the petitioner, the commissioner, and the designated agency.*

*Subd. 10. [VOLUNTARY RETURN.] With the consent of the head of the treatment facility, a patient may voluntarily return to inpatient status at the treatment facility as follows:*

*(a) As an informal patient, in which case the patient's commitment is discharged;*

*(b) As a committed patient, in which case the patient's provisional discharge is voluntarily revoked; or*

*(c) On temporary return from provisional discharge, in which case both the commitment and the provisional discharge remain in effect.*

*Prior to readmission, the patient shall be informed of his status upon read-*

mission.

*Subd. 11. [PARTIAL INSTITUTIONALIZATION.] The head of a treatment facility may place any committed person on a status of partial institutionalization. The status shall allow the patient to be absent from the facility for certain fixed periods of time. The head of the facility may terminate the status at any time.*

**Sec. 16. [253B.16] [DISCHARGE OF COMMITTED PERSONS.]**

*Subdivision 1. [DATE.] The head of a treatment facility shall discharge any patient admitted as mentally ill, mentally retarded or chemically dependent when certified by him to be no longer in need of institutional care and treatment or at the conclusion of any period of time specified in the commitment order, whichever occurs first.*

*Subd. 2. [NOTIFICATION OF DISCHARGE.] Prior to the discharge or provisional discharge of any committed person, the head of the treatment facility shall notify the designated agency and the patient's spouse, or if there is no spouse, then an adult child, or if there is none, the next of kin of the patient, of the proposed discharge. The notice shall be sent to the last known address of the person to be notified by certified mail with return receipt. The notice shall include the following: (1) the proposed date of discharge or provisional discharge; (2) the date, time and place of the meeting of the staff who have been treating the patient to discuss discharge and discharge planning; (3) the fact that the patient will be present at the meeting; and (4) the fact that the next of kin may attend that staff meeting and present any information relevant to the discharge of the patient. The notice shall be sent at least one week prior to the date set for the meeting.*

**Sec. 17. [253B.17] [RELEASE; JUDICIAL DETERMINATION.]**

*Subdivision 1. [PETITION.] Any patient, except one committed as mentally ill and dangerous to the public, or any interested person may petition the committing court or the court to which venue has been transferred for an order that the patient is not in need of continued institutionalization or for an order that an individual is no longer mentally ill, mentally retarded, or chemically dependent, or for any other relief as the court deems just and equitable.*

*Subd. 2. [NOTICE OF HEARING.] Upon the filing of the petition, the court shall fix the time and place for the hearing on it. Ten days' notice of the hearing shall be given to the county attorney, the patient, his counsel, the person who filed the initial commitment petition, the head of the treatment facility, and other persons as the court directs. Any person may oppose the petition.*

*Subd. 3. [EXAMINERS.] The court shall appoint an examiner and, at the patient's request, shall appoint a second examiner of the patient's choosing to be paid for by the county at a rate of compensation to be fixed by the court.*

*Subd. 4. [EVIDENCE.] The patient, his counsel, the petitioner and the county attorney shall be entitled to be present at the hearing and to present and cross-examine witnesses, including examiners. The court may hear any relevant testimony and evidence which is offered at the hearing.*

*Subd. 5. [ORDER.] Upon completion of the hearing, the court shall enter an order stating its findings and decision and mail it to the head of the treatment facility.*

Sec. 18. [253B.18] [PROCEDURES FOR PERSONS MENTALLY ILL AND DANGEROUS TO THE PUBLIC.]

*Subdivision 1. [PROCEDURE.] Upon the filing of a petition alleging that a proposed patient is mentally ill and dangerous to the public, the court shall hear the petition as provided in sections 7 and 8. If the court finds by clear and convincing evidence that the proposed patient is mentally ill and dangerous to the public, it shall commit the person to the Minnesota Security Hospital, a regional center designated by the commissioner or to a treatment facility. Admission procedures shall be carried out pursuant to section 10.*

*Subd. 2. [REVIEW.] There shall be a review of commitment at the end of 60 days. If no written review statement is filed within 60 days or if the statement describes the committed person as not in need of further institutional care and treatment, a further hearing shall be held by the committing court within 14 days after the court's receipt of the statement. The committing court shall then make the final determination.*

*Subd. 3. [INDETERMINATE COMMITMENT.] At the hearing held pursuant to subdivision 2, the court may order commitment of the proposed patient for an indeterminate period of time. Subsequent to a final determination that a patient is mentally ill and dangerous to the public, the patient shall be transferred, provisionally discharged, discharged, or have his commitment status altered only as provided in this section.*

*Subd. 4. [SPECIAL REVIEW BOARD.] The commissioner shall establish a special review board for persons committed as mentally ill and dangerous to the public. The board shall consist of three members experienced in the field of mental illness. One member of the special review board shall be a physician and one member shall be an attorney. No member shall be affiliated with the department of public welfare. The special review board shall meet at least every six months and at the call of the commissioner. It shall hear and consider all petitions for transfer out of the Minnesota Security Hospital, all petitions relative to discharge, provisional discharge and revocation of provisional discharge, and make recommendations to the commissioner concerning them.*

*Members of the special review board shall receive compensation and reimbursement for expenses as established by the commissioner of public welfare.*

*Subd. 5. [PETITION; NOTICE OF HEARING; ATTENDANCE; ORDER.] A petition for an order of transfer, discharge, provisional discharge, or revocation of provisional discharge shall be filed with the commissioner and may be filed by the patient or by the head of the treatment facility. The special review board shall hold a hearing on each petition prior to making any recommendation. Within 45 days of the filing of the petition, the committing court, the county attorney of the county of commitment, an interested person, the petitioner and his counsel shall be given written notice by the commissioner of the time and place of the hearing before the special review board. Only those entitled to statutory notice of the hearing or those administratively required to attend may be present at the hearing. The commissioner shall issue his order no later than 14 days after receiving the recommendation of the special review board. A copy of the order shall be sent by certified mail to every person entitled to attend the hearing within five days after it is issued. No order by the commissioner shall be effective sooner than 15 days after.*

*Subd. 6. [TRANSFER.] (a) Persons who have been found by the committing*

*court to be mentally ill and dangerous to the public shall not be transferred out of the Minnesota Security Hospital unless it appears to the satisfaction of the commissioner, after a hearing and favorable recommendation by a majority of the special review board, that the transfer is appropriate. Transfer may be to other regional centers under the commissioner's control. In those instances where a commitment also exists to the department of corrections, transfer may be to a facility designated by the commissioner of corrections.*

*The following factors are to be considered in determining whether a transfer is appropriate:*

- (i) the person's clinical progress and present treatment needs;*
- (ii) the need for security to accomplish continuing treatment;*
- (iii) the need for continued institutionalization;*
- (iv) which facility can best meet the person's needs; and*
- (v) whether transfer can be accomplished with a reasonable degree of safety for the public.*

*Subd. 7. [PROVISIONAL DISCHARGE.] Patients who have been found by the committing court to be mentally ill and dangerous to the public shall not be provisionally discharged unless it appears to the satisfaction of the commissioner, after a hearing and a favorable recommendation by a majority of the special review board, that the patient is capable of making an acceptable adjustment to open society.*

*The following factors are to be considered in determining whether a provisional discharge shall be recommended: (a) whether conditions exist to provide a reasonable degree of protection to the public and to assist the patient in adjusting to the community and (b) whether the patient's course of institutionalization and present mental status indicate there is no longer a need for in-hospital treatment and supervision.*

*Subd. 8. [PROVISIONAL DISCHARGE PLAN.] A provisional discharge plan shall be developed, implemented and monitored by the designated agency in conjunction with the patient, the treatment facility and other appropriate persons. The designated agency shall, at least quarterly, review the plan with the patient and submit a written report to the commissioner and the treatment facility concerning the patient's status and compliance with each term of the plan.*

*Subd. 9. [PROVISIONAL DISCHARGE; REVIEW.] A provisional discharge pursuant to this section shall not automatically terminate. A full discharge shall occur only as provided in subdivision 15. The commissioner shall annually review the facts relating to the activity of a patient on provisional discharge and notify the patient that the terms of the provisional discharge shall continue unless the patient requests a change in the conditions of provisional discharge or unless the patient acts to petition the special review board for a full discharge and the discharge is granted.*

*Subd. 10. [PROVISIONAL DISCHARGE; REVOCATION.] The head of the treatment facility may revoke a provisional discharge if any of the following grounds exist:*

- (i) the patient has departed from the conditions of the provisional discharge*

plan;

(ii) the patient is exhibiting signs of a mental illness which may require in-hospital evaluation or treatment; or

(iii) the patient is exhibiting behavior which may be dangerous to self or others.

In all non-emergency situations, prior to revoking a provisional discharge, the head of the treatment facility shall obtain a report from the designated agency outlining the specific reasons for recommending the revocation, including but not limited to the specific facts upon which the revocation recommendation is based.

The patient must be provided a copy of the revocation report and informed orally and in writing of his rights under this section.

**Subd. 11. [EXCEPTIONS.]** During the first 60 days of a provisional discharge or if an emergency exists, the head of the treatment facility may revoke the provisional discharge and, either orally or in writing, order that the patient be immediately returned to the treatment facility. In emergency cases, a report documenting reasons for revocation shall be submitted by the designated agency within seven days after the patient is returned to the treatment facility.

**Subd. 12. [RETURN OF PATIENT.]** After revocation of a provisional discharge or if the patient is absent without authorization, the head of the treatment facility may request the patient to return to the treatment facility voluntarily. He may request a health officer, a welfare officer, or a peace officer to return the patient to the treatment facility. If a voluntary return is not arranged, the head of the treatment facility shall inform the committing court of the revocation or absence and the court shall direct a health or peace officer in the county where the patient is located to return the patient to the treatment facility or to another treatment facility. The expense of returning the patient to a treatment facility shall be paid by the commissioner unless paid by the patient or his relatives.

**Subd. 13. [APPEAL.]** Any patient aggrieved by a revocation decision may petition the special review board within 48 hours, exclusive of Saturdays, Sundays, and legal holidays, after receipt of the revocation report for a review of the revocation. The matter shall be scheduled within 30 days. The special review board shall review the circumstances leading to the revocation and shall recommend to the commissioner whether or not the revocation shall be upheld. The special review board may also recommend a new provisional discharge at the time of a revocation hearing.

**Subd. 14. [VOLUNTARY READMISSION.]** With the consent of the head of the treatment facility, a patient may voluntarily return from provisional discharge for a period of up to 30 days and be released from the treatment facility without a further review by the special review board. All the terms and conditions of the provisional discharge order shall remain unchanged if the patient is released again.

**Subd. 15. [DISCHARGE.]** A person who has been found by the committing court to be mentally ill and dangerous to the public shall not be discharged unless it appears to the satisfaction of the commissioner, after a hearing and a favorable recommendation by a majority of the special review board, that the

patient is capable of making an acceptable adjustment to society.

*In determining whether a discharge shall be recommended, the special review board and commissioner shall consider whether specific conditions exist to provide a reasonable degree of protection to the public and to assist the patient in adjusting to the community. If the desired conditions do not exist, the discharge shall not be granted.*

Sec. 19. [253B.19] [JUDICIAL APPEAL PANEL; PATIENTS MENTALLY ILL AND DANGEROUS TO THE PUBLIC.]

*Subdivision 1. [CREATION.] The supreme court shall establish an appeal panel composed of three probate judges and two alternate probate judges appointed from among the acting probate judges of the state. Panel members shall serve for terms of one year each. Only three judges need hear any case. One of the regular three appointed judges shall be designated as the chief judge of the appeal panel. The chief judge is vested with power to fix the time and place of all hearings before the panel, issue all notices, subpoena witnesses, appoint counsel for the patient, if necessary, and supervise and direct the operation of the appeal panel. The chief judge shall designate one of the other judges or an alternate judge to act as chief judge in any case where he is unable to act. No member of the appeal panel shall take part in the consideration of any case in which that judge committed the patient in the probate court. The chief justice of the supreme court shall determine the compensation of the judges serving on the appeal panel. The compensation shall be in addition to their regular compensation as probate judges. All compensation and expenses of the appeal panel shall be paid by the department of public welfare.*

*Subd. 2. [PETITION; HEARING.] The committed person or the county attorney of the county from which a patient as mentally ill and dangerous to the public was committed may petition the appeal panel for a rehearing and reconsideration of a decision by the commissioner. The petition shall be filed with the supreme court within 30 days after the decision of the commissioner. The supreme court shall refer the petition to the chief judge of the appeal panel. The chief judge shall notify the patient, the county attorney of the county of commitment, the commissioner, the head of the treatment facility, any interested person, and other persons the chief judge designates, of the time and place of the hearing on the petition. The notice shall be given at least 14 days prior to the date of the hearing. The hearing shall be within 45 days of the filing of the petition. Any person may oppose the petition. The appeal panel may appoint examiners and may adjourn the hearing from time to time. It shall hear and receive all relevant testimony and evidence and make a record of all proceedings. The patient, his counsel, and the county attorney of the committing county may be present and present and cross-examine all witnesses.*

*Subd. 3. [DECISION.] A majority of the appeal panel shall rule upon the petition. The order of the appeal panel shall supersede the order of the commissioner in the cases. No order of the appeal panel granting a transfer, discharge or provisional discharge shall be made effective sooner than 15 days after it is issued.*

*Subd. 4. [EFFECT OF PETITION.] The filing of a petition shall immediately suspend the operation of any order for transfer, discharge, provisional discharge or release from custody of the patient. The patient shall not be discharged or released in any manner except upon order of a majority of the*

appeal panel.

*Subd. 5. [APPEAL TO SUPREME COURT.] An interested party panel may appeal from the decision of the appeal panel to the supreme court in the same manner as other appeals in civil actions. The filing of an appeal shall immediately suspend the operation of any order granting transfer, discharge or provisional discharge, pending the determination of the appeal.*

Sec. 20. [253B.20] [DISCHARGE, ADMINISTRATIVE PROCEDURE.]

*Subdivision 1. [NOTICE TO COURT.] When a committed person is discharged, provisionally discharged, transferred to another treatment facility, released, or partially hospitalized, or when he dies, is absent without authorization, or is returned, the treatment facility having custody of the patient shall notify the committing court.*

*Subd. 2. [NECESSITIES.] The head of the treatment facility shall make necessary arrangements at the expense of the state to insure that no patient is discharged, provisionally discharged, or released without suitable clothing. The head of the treatment facility shall, if necessary, provide the patient with a sufficient sum of money to secure transportation home, or to another destination of his choice, if the destination is located within a reasonable distance of the treatment facility. The commissioner shall establish procedures by rule to help the patient receive all public assistance benefits provided by state or federal law to which his residence and circumstances entitle him. The rule shall be uniformly applied in all counties. All counties shall provide temporary relief whenever necessary to meet the intent of this subdivision.*

*Subd. 3. [NOTICE TO DESIGNATED AGENCY.] The head of the treatment facility, upon the provisional discharge, partial institutionalization, or release of any committed person, shall notify the designated agency before the patient leaves the treatment facility. Whenever possible the notice shall be given at least one week before the patient is to leave the facility.*

*Subd. 4. [AFTER-CARE SERVICES.] Prior to the date of discharge, provisional discharge, partial institutionalization, or release of any committed person, the designated agency of the county of the patient's residence, in cooperation with the head of the treatment facility, and the patient's physician, if notified pursuant to subdivision 6, shall establish a continuing plan of after-care services for the patient including a plan for medical and psychiatric treatment, nursing care, vocational assistance, and other assistance the patient needs. The designated agency shall provide case management services, supervise and assist the patient in finding employment, suitable shelter, and adequate medical and psychiatric treatment, and aid in his readjustment to the community.*

*Subd. 5. [CONSULTATION.] In establishing the plan for after-care services the designated agency shall consult with persons or agencies, including any public health nurse and vocational rehabilitation personnel, to insure adequate planning and periodic review for after-care services.*

*Subd. 6. [NOTICE TO PHYSICIAN.] The head of the treatment facility shall notify the physician of any committed person at the time of the patient's discharge, provisional discharge, partial institutionalization, or release, unless the patient objects to the notice.*

*Subd. 7. [SERVICES.] A committed person may at any time after discharge,*

*provisional discharge, partial institutionalization, or release, apply to the head of the treatment facility within whose district he resides for treatment. If the head of the treatment facility determines that the applicant requires service, he may provide needed services related to mental illness, mental retardation, or chemical dependency to the applicant. The services shall be provided in regional centers under terms and conditions established by the commissioner.*

**Sec. 21. [253B.21] [COMMITMENT TO AN AGENCY OF THE UNITED STATES.]**

*Subdivision 1. [ADMINISTRATIVE PROCEDURES.] If the patient is entitled to care by any agency of the United States in this state, the commitment warrant shall be in triplicate, committing the patient to the joint custody of the head of the treatment facility and the federal agency. If the federal agency is unable or unwilling to receive the patient at the time of commitment, the patient may subsequently be transferred to it upon its request.*

*Subd. 2. [APPLICABLE REGULATIONS.] Any person, when admitted to an institution of a federal agency within or without this state, shall be subject to the rules and regulations of the federal agency, except that nothing in this section shall deprive any person of rights secured to patients of state treatment facilities by this chapter.*

*Subd. 3. [POWERS.] The chief officer of any treatment facility operated by a federal agency to which any person is admitted shall have the same powers as the heads of treatment facilities within this state with respect to admission, retention of custody, transfer, parole, release, or discharge of the committed person.*

*Subd. 4. [JUDGMENTS.] The judgment or order of commitment by a court of competent jurisdiction of another state committing a person to a federal agency for care or treatment, shall have the same force and effect as to the committed person while in this state as in the jurisdiction in which is situated the court entering the judgment or making the order. Consent is given to the application of the law of the committing state in respect to the authority of the chief officer of any treatment facility of a federal agency, to retain custody of, transfer, parole, release, or discharge the committed person.*

*Subd. 5. [TRANSFER.] Upon receipt of a certificate of a federal agency that facilities are available for the care or treatment of any committed person, the head of the treatment facility may transfer the person to a federal agency for care or treatment. Upon the transfer, the committing court shall be notified by the transferring agency. No person shall be transferred to a federal agency if he is confined pursuant to conviction of any felony or gross misdemeanor or if he has been acquitted of the charge solely on the ground of insanity, unless prior to transfer the committing court enters an order for the transfer after appropriate motion and hearing.*

*Written notice of the transfer shall be given to the patient's spouse or parent, or if none be known, to some other interested person.*

**Sec. 22. [253B.22] [REVIEW BOARDS.]**

*Subdivision 1. [ESTABLISHMENT.] The commissioner shall establish a review board of three or more persons for each regional center to review the admission and retention of patients institutionalized under this chapter. One*



member shall be qualified in the diagnosis of mental illness or mental retardation and one member shall be an attorney. The commissioner may, upon written request from the appropriate federal authority, establish a review panel for any federal treatment facility within the state to review the admission and retention of patients hospitalized under this chapter. For any review board established for a federal treatment facility, one of the persons appointed by the commissioner shall be the commissioner of veterans affairs or his designee.

*Subd. 2. [RIGHT TO APPEAR.] Each treatment facility shall be visited by the review board at least once every six months. Upon request each patient in the treatment facility shall have the right to appear before the review board during the visit.*

*Subd. 3. [NOTICE.] The head of the treatment facility shall notify each patient at the time of admission by a simple written statement of the patient's right to appear before the review board and the next date when the board will visit the treatment facility. A request to appear before the board need not be in writing. Any employee of the treatment facility receiving a request to appear before the board shall notify the head of the treatment facility of the request.*

*Subd. 4. [REVIEW.] The board shall review the admission and retention of patients at its respective treatment facility. The board may examine the records of all patients admitted and may examine personally at its own instigation all patients who from the records or otherwise appear to justify reasonable doubt as to continued need of confinement in a treatment facility. The review board shall report its findings to the commissioner and to the head of the treatment facility. The board may also receive reports from patients, interested persons, and treatment facility employees, and investigate conditions affecting the care of patients.*

*Subd. 5. [COMPENSATION.] Each member of the review board shall receive compensation and reimbursement as established by the commissioner.*

#### Sec. 23. [253B.23] [GENERAL PROVISIONS.]

*Subdivision 1. [COSTS OF HEARINGS.] (a) In each proceeding under this chapter the court shall allow and order paid to each witness subpoenaed the fees and mileage prescribed by law; to each examiner a reasonable sum for his services and for travel; to persons conveying the patient to the place of detention, disbursements for the travel, board, and lodging of the patient and of themselves and their authorized assistants; and to the patient's counsel, when appointed by the court, a reasonable sum for travel and for the time spent in court or in preparing for the hearing. Upon the court's order, the county auditor shall issue a warrant on the county treasurer for payment of the amounts allowed.*

*(b) When the residence of the patient is found to be in another county, the committing court shall transmit to the county auditor a statement of the expenses of the taking into custody, confinement, examination, commitment, conveyance to the place of detention, and rehearing. The auditor shall transmit the statement to the auditor of the county of the patient's residence. The claim shall be paid as other claims against that county. If the auditor to whom this claim is transmitted denies the claim, he shall transmit it, together with his objections to the commissioner. The commissioner shall determine the question of residence and certify his findings to each auditor. If the claim is not paid*

*within 30 days after certification, an action may be maintained on it in the district court of the claimant county.*

*(c) Whenever venue of a proceeding has been transferred under this chapter, the costs of the proceedings shall be reimbursed to the county of the patient's residence by the state.*

*Subd. 2. [LEGAL RESULTS OF COMMITMENT STATUS.] (a) Except as otherwise provided in this chapter and in sections 246.15 and 246.16, no person by reason of commitment or treatment pursuant to this chapter shall be deprived of any legal right, including but not limited to the right to dispose of property, sue and be sued, execute instruments, make purchases, enter into contractual relationships, vote, and hold a driver's license. Commitment or treatment of any patient pursuant to this chapter is not a judicial determination of legal incompetency except to the extent provided in section 3, subdivision 6.*

*(b) Proceedings for determination of legal incompetency and the appointment of a guardian for a person subject to commitment under this chapter may be commenced before, during, or after commitment proceedings have been instituted and may be conducted jointly with the commitment proceedings. The court shall notify the head of the treatment facility to which the patient is committed of a finding that the patient is incompetent.*

*(c) Where the person to be committed is a minor or owns property of value and it appears to the court that the person is not competent to manage his estate, the court shall appoint a general or special guardian or conservator of the person's estate as provided by law.*

*Subd. 3. [FALSE REPORTS.] Any person who willfully makes, joins in, or advises the making of any false petition or report, or knowingly or willfully makes any false representation for the purpose of causing the petition or report to be made or for the purpose of causing an individual to be improperly committed under this chapter, is guilty of a gross misdemeanor. The attorney general or his designee shall prosecute violations of this section.*

*Subd. 4. [IMMUNITY.] All persons acting in good faith, upon either actual knowledge or information thought by them to be reliable, who act pursuant to any provision of this chapter or who procedurally or physically assist in the commitment of any individual, pursuant to this chapter, are not subject to any civil or criminal liability under this chapter. Any privilege otherwise existing between patient and physician or between patient and examiner is waived as to any physician or examiner who provides information with respect to a patient pursuant to any provision of this chapter.*

*Subd. 5. [HABEAS CORPUS.] Nothing in this chapter shall be construed to abridge the right of any person to the writ of habeas corpus.*

*Subd. 6. [COURT COMMISSIONER.] The court commissioner may act for the probate judge upon a petition for the commitment of a patient when the probate judge is unable to act.*

*Subd. 7. [APPEAL.] The commissioner or any other aggrieved party may appeal to the district court from any order entered under this chapter in the manner prescribed in section 487.39.*

*Upon perfection of the appeal, the return shall be filed forthwith. The district court shall hear the appeal within 45 days after service of the notice of*

*appeal. This appeal shall not suspend the operation of the order appealed from until the appeal is determined, unless otherwise ordered by the district court. Notwithstanding any contrary provision in section 487.39, an appeal may be taken from the determination of a district court judge to the supreme court without leave of the supreme court.*

*Subd. 8. [RULES.] The commissioner shall establish rules consistent with the provisions of this chapter. The commissioner shall prescribe the form of applications, records, reports, and medical certificates required by this chapter and the information to be contained in them.*

*Subd. 9. [TRANSCRIPTS.] For purposes of taking an appeal or petition for habeas corpus or for a judicial determination of mental competency or need for commitment, transcripts of commitment proceedings, or portions of them, shall be made available to the parties upon written application to the court. Upon a showing by a party that he is unable to pay the cost of a transcript, it shall be made available at no expense to the party.*

*Subd. 10. [SEALING OF RECORDS.] Upon a motion by a person who has been the subject of a judicial commitment proceeding, the probate court for the county in which the person resides may seal all judicial records of the commitment proceedings if it finds that access to the records creates undue hardship for the person. The county attorney shall be notified of the motion and may participate in the hearings. All hearings on the motion shall be in camera. The files and records of the court in proceedings on the motion shall be sealed except to the moving party, county attorney, or other persons by court order.*

#### Sec. 24. [REVISOR'S INSTRUCTIONS.]

*In the next edition of Minnesota Statutes, the revisor of statutes shall:*

*(a) Change all reference to "chapter 253A" to read "chapter 253B";*

*(b) Change the reference to "sections 253A.01 to 253A.21" found in sections 147.021, subdivision 2; 148.32; 148.75; and 252A.11, subdivision 3, to read "chapter 253B";*

*(c) Change the reference in section 241.69, subdivision 4, from "253A.07" to "253B.07 to 253B.09";*

*(d) Change the reference in section 241.69, subdivision 8, from "253A.02" to "253B.02";*

*(e) Change the reference in section 284.28, subdivision 4, from "253A.07, subdivision 17" to "chapter 253B";*

*(f) Change the reference in section 462A.03, subdivision 16, from "253A.02, subdivision 3" to "253B.02, subdivision 13";*

*(g) Change the reference in section 462A.03, subdivision 17, from "253A.02, subdivision 5" to "253B.02, subdivision 14"; and*

*(h) Change all references in chapter 462A from "mentally deficient person" to "mentally retarded person".*

#### Sec. 25. [REPEALER.]

*Minnesota Statutes 1980, Sections 253A.01; 253A.02; 253A.03; 253A.04; 253A.05; 253A.06; 253A.07; 253A.075; 253A.08; 253A.09; 253A.10;*

253A.11; 253A.12; 253A.14; 253A.15; 253A.16; 253A.17; 253A.18; 253A.19; 253A.20; 253A.21; 253A.22; and 253A.23, are repealed.

Sec. 26. [EFFECTIVE DATE.]

*This act is effective August 1, 1982 and applies to any conduct, transaction, or proceeding within its terms which occurs after August 1, 1982. A proceeding for the commitment of a person to a treatment facility commenced before August 1, 1982 is governed by the law existing at the time the proceeding was commenced; provided, however, that if the proceedings are not terminated by August 1, 1983, they shall thereafter be governed by the provisions of sections 1 to 23. Any person committed pursuant to chapter 253A whose term of commitment is indeterminate shall have his status reviewed pursuant to the provisions of section 12 prior to February 1, 1984."*

Delete the title and insert:

"A bill for an act relating to the commitment of persons who are mentally ill, mentally ill and dangerous, mentally retarded, or chemically dependent; providing for informal institutionalization by consent, involuntary emergency institutionalization 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; 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 institutionalization; 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 as Minnesota Statutes, Chapter 253B; repealing Minnesota Statutes 1980, Sections 253A.01 to 253A.23."

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

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

S.F. No. 1840: A bill for an act relating to commerce; providing for a determination of when certain property held by a financial institution or business organization is presumed abandoned; amending Minnesota Statutes 1980, Sections 345.32, as amended; and 345.39, as amended.

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

Page 2, line 36, delete the comma

Page 2, line 36, after "or" insert "*, if the transaction is connected to this state, issued*"

Page 3, line 2, after "instruments" insert "*, including money orders,*"

Page 3, line 10, after the comma insert "*or, in the case of money orders, has been outstanding for more than seven years from the date of its issuance,*"

Page 3, line 11, after the second comma insert "*or within seven years in the case of money orders,*"

Page 5, line 4, delete "Property covered by"

Page 5, line 5, delete "written instruments certified or issued"

Page 5, line 6, delete "in another state" and insert "money orders"

Page 5, after line 6, insert:

"Sec. 3. [APPLICATION.]

*Sections 1 and 2 do not create any right or duty or affect any right accrued, any duty imposed, any penalty incurred, or any proceeding commenced with respect to money orders issued before July 1, 1974. Any civil suit, action, or proceeding pending to enforce any alleged rights under the authority of sections 345.32 and 345.39 before the effective date of sections 1 and 2 may be disposed of without regard to the amendments enacted by sections 1 and 2."*

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

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

S.F. No. 1644: A bill for an act relating to securities; removing the exemption from filing fees for an agent who is a primary officer, partner, or director of a licensed broker-dealer; amending Minnesota Statutes 1981 Supplement, Section 80A.28, Subdivision 2.

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

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

S.F. No. 2057: A bill for an act relating to intoxicating liquor; authorizing the city of International Falls to issue one short term on-sale liquor license.

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

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

H.F. No. 12: A bill for an act relating to public utilities; requiring commission approval of interim rate changes; amending Minnesota Statutes 1980, Sections 216B.16, Subdivision 3; and 237.075, Subdivision 3.

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 216B.16, Subdivision 1, is amended to read:

Subdivision 1. [NOTICE.] Unless the commission otherwise orders, no public utility shall change ~~any~~ a rate which has been duly established under this chapter, except ~~after 90~~ upon 60 days notice to the commission, ~~which~~. The notice shall include statements of facts, expert opinions, substantiating documents, and exhibits, supporting the change requested, and ~~further shall~~ state the change proposed to be made in the rates then in force, and the time when the modified rates will go into effect. The filing utility shall give written notice, as approved by the commission, of the proposed change to the governing body of each municipality and county in the area affected. All proposed changes shall be shown by filing new schedules or shall be plainly indicated

upon schedules on file and in force at the time.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 216B.16, Subdivision 1a, is amended to read:

Subd. 1a. [SETTLEMENT BARRED.] When a public utility proposes changes in general rates that would increase general rates paid by consumers by more than \$500,000 *annually*, 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. 3. Minnesota Statutes 1980, Section 216B.16, Subdivision 2, is amended to read:

Subd. 2. [SUSPENSION OF RATES; HEARING.] Whenever there is filed with the commission ~~any~~ a schedule modifying or resulting in a change in any rates then in force as provided in subdivision 1, the commission may suspend the operation of the schedule by filing with the schedule of rates and delivering to the affected utility a statement in writing of its reasons for the suspension, at any time before the rates become effective. The suspension shall not be for a longer period than ~~90 days~~ *ten months* beyond the ~~time when the schedule of rates would otherwise go into effect~~ *initial filing date*. During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised have not been resolved to its satisfaction, or upon petition by ten percent of the affected customers or ~~400~~ *250* affected customers, whichever is less, it shall refer the matter to the office of administrative hearings with instructions for a public hearing as a contested case pursuant to chapter 15, ~~and may further extend the period of suspension for a period not to exceed a total of nine months except as otherwise provided in this section. The commission may order that the issues presented by the proposed rate changes be bifurcated into two separate hearings as follows: (1) determination of the utility's revenue requirements and (2) determination of the rate design. Upon issuance of both hearing examiner reports, the issues shall again be joined for consideration and final determination by the commission. All prehearing discovery activities of state agency intervenors shall be consolidated and conducted by the department of public service.~~ If the commission does not make a final determination concerning ~~any~~ a schedule of rates within a ~~period of nine~~ *ten months* beyond after the ~~time when the schedule of rates would otherwise go into effect, under subdivision 1~~ *initial filing date*, the schedule shall be deemed to have been approved by the commission. For the purposes of this ~~subdivision~~ *section*, "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates

until it determines all ~~such~~ those petitions.

Sec. 4. Minnesota Statutes 1980, Section 216B.16, Subdivision 3, is amended to read:

Subd. 3. [INTERIM RATES.] Notwithstanding any order of suspension of a proposed increase in rates, the public utility may put the suspended commission shall order an interim rate schedule into effect on the date when it would have become effective if not suspended, or any date subsequent thereto within the suspension period, by filing with the commission a bond in an amount approved by the commission with sureties approved by the commission, conditioned upon the refund, in a manner to be prescribed by order of the commission, of the excess in increased rates, including interest thereon which shall be at the current rate of interest as determined by the commission, collected during the period of the suspension if the schedule so put into effect is finally disallowed by the commission. There may be substituted for the bond other arrangements satisfactory to the commission for the protection of persons affected not later than 60 days after the initial filing date. The commission shall order the interim rate schedule ex parte without a public hearing. Notwithstanding the provisions of sections 216.24, 216.25, 216B.27 and 216B.52, no interim rate schedule ordered by the commission pursuant to this subdivision shall be subject to an application for a rehearing or an appeal to a court until the commission has rendered its final determination. Unless the commission finds that exigent circumstances exist, the interim rate schedule shall be calculated using the proposed test year cost of capital, rate base, and expenses, except that it shall include: (1) a rate of return on common equity for the utility equal to that authorized by the commission in the utility's most recent rate proceeding; (2) rate base or expense items the same in nature and kind as those allowed by a currently effective order of the commission in the utility's most recent rate proceeding; and (3) no change in the existing rate design. In the case of a utility which has not been subject to a prior commission determination, the commission shall base the interim rate schedule on its most recent determination concerning a similar utility.

If, at the time of its final determination, the commission finds that the interim rates are in excess of the rates in the final determination, the commission shall order the utility to refund the excess amount collected under the interim rate schedule, including interest thereon which shall be at the rate of interest determined by the commission. The utility shall commence distribution of the refund to its customers within 120 days of the final order, not subject to rehearing or appeal. If, at the time of its final determination, the commission finds that the interim rates are less than the rates in the final determination, the commission shall prescribe a method whereby the utility will recover the difference in revenues from the date of the final determination to the date the new rate schedules are put into effect.

If the public utility fails to make refunds within the period of time prescribed by the commission, the commission shall sue therefor and is authorized to may recover on behalf of all persons entitled to a refund. In addition to the amount of the refund and interest due, the commission shall be entitled to recover reasonable attorney's fees, court costs and estimated cost of administering the distribution of the refund to persons entitled thereto. No suit under this subdivision shall be maintained unless instituted within two years after the end of the period of time prescribed by the commission for repayment of refunds. However, no public utility The commission shall put a suspended not order an interim rate schedule into effect as provided by this subdivision until at least 90 days four months after the commission it has made a final determination

concerning any previously filed change of the rate schedule or the change has otherwise become effective under subdivision 2, *unless it finds that a four month delay would unreasonably burden the utility, its customers, or its shareholders and that an earlier imposition of interim rates is therefore necessary.*

Sec. 5. Minnesota Statutes 1980, Section 216B.16, Subdivision 5, is amended to read:

Subd. 5. [DETERMINATION.] If, after the hearing, the commission finds the rates to be unjust or unreasonable or discriminatory, the commission shall determine the level of rates to be charged or applied by the utility for the service in question and shall fix ~~the same~~ *them* by order to be served upon the utility; ~~and~~. The rates ~~are~~ *shall* thereafter ~~to~~ be observed until changed, as provided by ~~Laws 1974, Chapter 429~~ *this chapter*. In no event shall the rates exceed the level of rates requested by the public utility, except that individual rates may be adjusted upward or downward. *Rate design changes shall be prospective from the effective date of the new rate schedules approved by the commission.*

Sec. 6. Minnesota Statutes 1980, Section 216B.16, Subdivision 7, is amended to read:

Subd. 7. [ENERGY COST ADJUSTMENTS.] Notwithstanding any other provision of ~~Laws 1974, Chapter 429~~ *this chapter*, the commission may permit a public utility to file rate schedules containing provisions for the automatic adjustment of charges for public utility service in direct relation to changes in federally regulated wholesale rates for energy delivered through interstate facilities or fuel used in generation of electricity or the manufacture of gas.

Sec. 7. Minnesota Statutes 1980, Section 237.075, Subdivision 1, is amended to read:

Subdivision 1. [NOTICE.] Unless the commission otherwise orders, no telephone company shall change ~~any~~ a rate which has been duly established under this chapter, except ~~after 90~~ *upon 60* days notice to the commission. The notice shall include statements of facts, expert opinions, substantiating documents, and exhibits, supporting the change requested, and state the change proposed to be made in the rates then in force, and the time when the modified rates will go into effect. The filing telephone company shall give written notice, as approved by the commission, of the proposed change to the governing body of each municipality and county in the area affected. All proposed changes shall be shown by filing new schedules or shall be plainly indicated upon schedules on file and in force at the time.

Sec. 8. Minnesota Statutes 1981 Supplement, Section 237.075, Subdivision 1a, is amended to read:

Subd. 1a. [SETTLEMENT BARRED.] When a telephone company proposes changes in general rates that would increase general rates paid by consumers by more than \$500,000 *annually*, 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 consti-



tutes 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. 9. Minnesota Statutes 1980, Section 237.075, Subdivision 2, is amended to read:

Subd. 2. [SUSPENSION OF RATES; HEARING.] ~~When~~ Whenever there is filed with the commission as provided in subdivision 1 a schedule modifying or resulting in a change in any rate then in force, the commission may suspend the operation of the schedule by filing ~~of~~ with the schedule of rates and delivering to the affected telephone company a statement in writing of its reasons for the suspension at any time before the rates become effective. The suspension shall not be for a longer period than ~~90 days~~ *ten months* beyond the time when the ~~schedule of rates would otherwise go into effect~~ *initial filing date*. During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised have not been resolved to its satisfaction, or upon petition by ten percent of the affected customers or ~~400~~ *250* affected customers, whichever is less, it shall refer the matter to the office of administrative hearings with instructions for a public hearing as a contested case pursuant to chapter 15, ~~and may further extend the period of suspension; but in no event shall the period of suspension be more than nine months from the date when the schedule of rates would otherwise go into effect~~ *except as otherwise provided in this section*. The commission may order that the issues presented by the proposed rate changes be bifurcated into two separate hearings as follows: (1) determination of the telephone company's revenue requirements and (2) determination of the rate design. Upon issuance of both hearing examiner reports, the issues shall again be joined for consideration and final determination by the commission. All prehearing discovery activities of state agency intervenors shall be consolidated and conducted by the department of public service. If the commission does not make a final determination ~~on or before the expiration of 12 months from the date the rates were initially filed~~ *concerning a schedule of rates within ten months after the initial filing date*, the schedule of rates shall be deemed to have been approved by the commission. ~~The overcharge resulting from implementation of the schedule prior to the final determination of the commission shall be refunded to the customers of the telephone company in a manner prescribed by rules of the commission.~~ For the purposes of this subdivision section, "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates until it determines all ~~such~~ *those* petitions.

Sec. 10. Minnesota Statutes 1980, Section 237.075, Subdivision 3, is amended to read:

Subd. 3. [INTERIM RATES.] Notwithstanding any order of suspension of a proposed increase in rates, the ~~telephone company may put the suspended~~ *commission shall order an interim rate schedule into effect on the date when it would have become effective if not suspended, or any date subsequent thereto within the suspension period, by filing with the commission a bond in an amount approved by the commission with sureties approved by the commission, conditioned upon the refund, in a manner to be prescribed by order of the commission, of the excess in increased rates, including interest thereon which*

shall be at the current rate of interest as determined by the commission, collected during the period of the suspension if the schedule so put into effect is finally disallowed by the commission. There may be substituted for the bond other arrangements satisfactory to the commission for the protection of persons affected not later than 60 days after the initial filing date. The commission shall order the interim rate schedule *ex parte* without a public hearing. Notwithstanding the provisions of sections 216.24, 216.25, and 237.25, no interim rate schedule ordered by the commission pursuant to this subdivision shall be subject to an application for a rehearing or an appeal to a court until the commission has rendered its final determination. Unless the commission finds that exigent circumstances exist, the interim rate schedule shall be calculated using the proposed test year cost of capital, rate base, and expenses, except that it shall include: (1) a rate of return on common equity for the company equal to that authorized by the commission in the company's most recent rate proceeding; (2) rate base or expense items the same in nature and kind as those allowed by a currently effective order of the commission in the company's most recent rate proceeding; and (3) no change in the existing rate design, except for products and services offered by nonregulated competitors. In the case of a company which has not been subject to a prior commission determination or has not had a general rate adjustment in the preceding three years, the commission shall base the interim rate schedule on its most recent determination concerning a similar company.

If, at the time of its final determination, the commission finds that the interim rates are in excess of the rates in the final determination, the commission shall order the company to refund the excess amount collected under the interim rate schedule, including interest thereon which shall be at the rate of interest determined by the commission. The company shall commence distribution of the refund to its customers within 120 days of the final order, not subject to rehearing or appeal. If, at the time of its final determination, the commission finds that the interim rates are less than the rates in the final determination, the commission shall prescribe a method whereby the company will recover the difference in revenues from the date of the final determination to the date the new rate schedules are put into effect.

If the telephone company fails to make refunds within the period of time prescribed by the commission, the commission shall sue therefor and is authorized to may recover on behalf of all persons entitled to a refund. In addition to the amount of the refund and interest due, the commission shall be entitled to recover reasonable attorney's fees, court costs and estimated cost of administering the distribution of the refund to persons entitled thereto. No suit under this subdivision shall be maintained unless instituted within two years after the end of the period of time prescribed by the commission for repayment of refunds. However, no telephone company The commission shall put a suspended not order an interim rate schedule into effect as provided by this subdivision until at least 90 days four months after the commission it has made a final determination concerning any previously filed change of the rate schedule or the change has otherwise become effective under subdivision 2, unless it finds that a four month delay would unreasonably burden the company, its customers, or its shareholders and that an earlier imposition of interim rates is therefore necessary.

Sec. 11. Minnesota Statutes 1980, Section 237.075, Subdivision 5, is amended to read:

Subd. 5. [DETERMINATION.] If, after the hearing, the commission finds

the rates to be unjust or unreasonable or discriminatory, the commission shall determine the rates to be charged or applied by the telephone company for the service in question and shall fix them by order to be served upon the telephone company. The rates shall thereafter be observed until changed, as provided by this chapter. In no event shall the rates exceed the level ~~of~~ of rates requested by the telephone company, except that individual rates may be adjusted upward or downward. *Rate design changes shall be prospective from the effective date of the new rate schedules approved by the commission.*

Sec. 12. Minnesota Statutes 1980, Section 237.075, Subdivision 6, is amended to read:

Subd. 6. [FACTORS TO BE CONSIDERED.] The commission, in the exercise of its powers under this chapter to determine just and reasonable rates for telephone companies, shall give due consideration to the public need for adequate, efficient, and reasonable service and to the need of the telephone company for revenue sufficient to enable it to meet the cost of furnishing the service, including adequate provision for depreciation of its telephone company property used and useful in rendering service to the public, and to earn a fair and reasonable return upon the investment in the property. In determining the rate base upon which the telephone company is to be allowed to earn a fair rate of return, the commission shall give due consideration to evidence of the cost of the property when first devoted to public use, to prudent acquisition cost to the telephone company, less appropriate depreciation on each ~~cost~~, to construction work in progress, to offsets in the nature of capital provided by sources other than the investors, and to other expenses of a capital nature. To the extent that construction work in progress is included in the rate base, the income used in determining the actual return on the telephone company property ~~shall~~ may include an allowance for funds used during construction. For purposes of determining rate base, the commission shall consider the original cost of telephone company property included in the base and shall make no allowance for its estimated current replacement value.

Sec. 13. [EFFECTIVE DATE.]

*This act is effective May 1, 1982, and applies to all applications for general rate changes filed after May 1, 1982.*

Delete the title and insert:

"A bill for an act relating to public utilities; revising the process for approval of rate changes; abolishing "rates under bond"; providing for interim rates; amending Minnesota Statutes 1980, Sections 216B.16, Subdivisions 1, 2, 3, 5, and 7; and 237.075, Subdivisions 1, 2, 3, 5, and 6; and Minnesota Statutes 1981 Supplement, Sections 216B.16, Subdivision 1a; and 237.075, Subdivision 1a."

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

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

S.F. No. 198: A bill for an act relating to information practices of public bodies; regulating the treatment of government data; providing conditions for disclosure; enacting the uniform information practices code; providing penalties; amending Minnesota Statutes 1980, Sections 3.97, Subdivisions 9 and 11;

10A.02, Subdivision 11a; 72A.062, Subdivision 2; 115A.14, Subdivision 3; 123.704; 123.741, Subdivision 5; 136A.162; 144.1761, Subdivision 2; 144.216, Subdivision 2; 144.218; 144.225, Subdivision 1; 144.691, Subdivision 4; 144.693; 144A.10, Subdivision 3; 145.925, Subdivision 6; 147.073, Subdivision 1; 169.126, Subdivision 2; 197.603, Subdivision 2; 241.44, Subdivision 1a; 241.62, Subdivision 5; 241.66, Subdivision 1; 245.69, Subdivision 2; 256B.27, Subdivision 5; 268.40, Subdivision 3; 270A.11; 299F.055; 362.53, Subdivision 17; 462A.065; 481.15, Subdivision 3; 626.556, Subdivision 11; and 626.557, Subdivisions 11 and 12; proposing new law coded as Minnesota Statutes, Chapter 16B; repealing Minnesota Statutes 1980, Sections 15.1611; 15.162; 15.1621; 15.163; 15.1642; 15.165; 15.166; 15.167; 15.1671; 15.1672; 15.1673; 15.1674; 15.1675; 15.1676; 15.1677; 15.1678; 15.1679; 15.1681; 15.1691; 15.1692; 15.1693; 15.1694; 15.1695; 15.1696; 15.1697; 15.1698; and 15.1699.

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

Page 5, line 7, after the period, insert "*The provisions of this clause do not apply to the charges imposed by the department of public safety for searching for, maintaining, copying, or providing copies of motor vehicle or drivers license records.*"

Page 5, line 9, delete "*in writing*"

Page 5, line 10, after "*requester*" insert "*in writing*"

Page 5, line 24, after "*rules*" insert "*or procedures*"

Page 7, line 15, delete "*such*" and insert "*that*"

Page 9, line 32, after "*except*" insert "*(i)*"

Page 9, line 34, before the semicolon, insert "*and (ii) the prosecuting authority shall release investigative records collected by a law enforcement agency to the victim of a criminal act or his legal representative upon written request unless the prosecuting authority reasonably believes that the release of those records will interfere with the investigation or that the request is prompted by a desire on the part of the requester to engage in unlawful activities*"

Page 10, after line 20, insert:

*"(c) Notwithstanding any other provision of this chapter, the disclosure of any individually identifiable record specified in article VI is a clearly unwarranted invasion of personal privacy."*

Page 17, line 20, delete "*thereof*" and insert "*of them*"

Page 19, line 36, before the period, insert "*in the department of administration*"

Page 20, line 1, delete "*governor*" and insert "*commissioner of administration*"

Page 20, line 1, delete "*with the advice and consent*"

Page 20, line 2, delete "*of the senate*"

Page 20, line 3, delete "*who is its chief executive officer*"

Page 20, line 10, delete "(freedom of information),"

Page 20, line 32, delete "(disclosure of personal"

Page 20, line 33, delete "records)."

Page 22, line 6, delete "rulemaking procedures of" and insert "procedure act"

Page 22, line 7, delete "this state"

Page 23, after line 6, insert:

#### "PROTECTED INFORMATION

##### Section 16B.6-101. [GENERAL.]

*Disclosure of any individually identifiable information specified in this article is a clearly unwarranted invasion of personal privacy.*

##### Sec. 16B.6-102. [LIBRARY RECORDS.]

*Subdivision 1. [INFORMATION PRACTICES.] All records collected, maintained, used or disseminated by a public library shall be administered in accordance with the provisions of this chapter.*

*Subd. 2. [PUBLIC LIBRARY RECORDS.] That portion of records maintained by a public library which links a library patron's name with materials requested or borrowed by the patron or which links a patron's name with a specific subject about which the patron has requested information or materials is not subject to disclosure except pursuant to a valid court order.*

##### Sec. 16B.6-103. [MEDICAL EXAMINER RECORDS.]

*Subdivision 1. [DEFINITION.] As used in this section, "medical examiner records" means records relating to deceased individuals and the manner and circumstances of their death which is created, collected, used or maintained by a county coroner or medical examiner in the fulfillment of his official duties pursuant to chapter 390, or any other general or local law on county coroners or medical examiners.*

*Subd. 2. [PUBLIC RECORD.] Unless specifically classified otherwise by state statute or federal law, the following records created or collected by a medical examiner or coroner on a deceased individual are subject to disclosure: name of the deceased; date of birth; date of death; address; sex; race; citizenship; height; weight; hair color; eye color; build; complexion; age, if known, or approximate age; identifying marks, scars and amputations; a description of the decedent's clothing; marital status; location of death, including name of hospital where applicable; name of spouse; whether or not the decedent ever served in the armed forces of the United States; social security number; occupation; business; father's name; mother's maiden name; birthplace; birthplace of parents; cause of death; causes of cause of death; whether an autopsy was performed and if so, whether it was conclusive; date and place of injury, if applicable, including work place; how injury occurred; whether death was caused by accident, suicide, homicide, or was of undetermined cause; certification of attendance by physician; physician's name and address; certification by coroner or medical examiner; name and signature of coroner or medical examiner; type of disposition of body; burial place name and location, if applicable; date of burial, cremation or removal; funeral home*

name and address; and name of local register or funeral director.

*Subd. 3. [UNIDENTIFIED INDIVIDUAL; PUBLIC RECORD.] Whenever a county coroner or medical examiner is unable to identify a deceased individual subject to his investigation, he may release to the public any relevant records which would assist in ascertaining identity.*

*Subd. 4. [CONFIDENTIAL NONDISCLOSABLE RECORDS.] Records created or collected by a county coroner or medical examiner which are part of an active investigation mandated by chapter 390, or any other general or local law relating to coroners or medical examiners are not subject to disclosure until the completion of the coroner's or medical examiner's final summary of findings. Nothing in this subdivision shall be construed to make the records identified in subdivision 2 not subject to disclosure at any point in the investigation or thereafter.*

*Subd. 5. [PRIVATE RECORDS.] All other medical examiner records on deceased individuals are not subject to disclosure except pursuant to the provisions of chapter 390, or any other general or local law on county coroners or medical examiners, or pursuant to a valid court order.*

*Subd. 6. [OTHER RECORDS.] Unless a statute specifically provides a different classification, all other records created or collected by a county coroner or medical examiner that are not records on deceased individuals or the manner and circumstances of their death are subject to disclosure.*

*Subd. 7. [COURT REVIEW.] Any person may petition the district court located in the county where medical examiner records are being maintained to authorize disclosure of private or confidential medical examiner records. The petitioner shall notify the medical examiner or coroner. The court may notify other interested persons and require their presence at a hearing. A hearing may be held immediately if the parties agree, and in any event shall be held as soon as practicable. After examining the records in camera, the court may order their disclosure if it determines that disclosure would be in the public interest.*

*Subd. 8. [ACCESS.] The records made nondisclosable by this section shall be accessible to the legal representative of the decedent's estate or to the decedent's surviving spouse or next of kin or their legal representative after the completion of the coroner's or medical examiner's final summary of findings.*

#### Sec. 16B.6-104. [CORRECTIONS OMBUDSMAN RECORDS.]

*Subdivision 1. [NONDISCLOSABLE RECORDS.] The following records maintained by the ombudsman for corrections are not subject to disclosure:*

*(a) All records on individuals pertaining to contacts made by clients seeking the assistance of the ombudsman, except as specified in subdivisions 2 and 3;*

*(b) Records derived from personal conversations and phone conversations and in correspondence between the ombudsman's staff and persons interviewed during the course of an investigation;*

*(c) Client index cards;*

*(d) Case assignment data; and*

*(e) Monthly closeout data.*

*Subd. 2. [RESTRICTED RECORDS.] The following records maintained by the ombudsman are classified as not subject to disclosure even to its subject: the written summary of the investigation to the extent it identifies individuals.*

*Subd. 3. [PUBLIC RECORDS.] The following records maintained by the ombudsman may be disclosed: client name; client location; and the inmate identification number assigned by the department of corrections.*

Sec. 16B. 6-105. [DOMESTIC ABUSE RECORDS.]

*All government records on individuals which are collected, created, received or maintained by police departments, sheriffs' offices or clerks of court pursuant to the domestic abuse act, section 518B.01, are not subject to disclosure until a temporary court order made pursuant to subdivisions 5 or 7 of section 518B.01 is executed or served upon the subject who is the respondent to the action.*

VII''

Page 23, line 10, after "9." insert "[INFORMATION PRACTICES.]"

Page 23, line 20, after "11." insert "[AUDIT; INFORMATION PRACTICES.]"

Page 23, line 22, strike everything after "are"

Page 23, line 23, strike everything before "until" and insert "*not subject to disclosure*"

Page 23, line 27, strike everything after "are"

Page 23, line 28, strike everything before "until" and insert "*not subject to disclosure*"

Page 23, line 32, strike "private" and insert "*not accessible to the public but accessible to the individual who supplied the data*"

Page 24, line 4, after "11a." insert "[INFORMATION PRACTICES.]"

Page 24, lines 10 and 14, strike "any such" and insert "*the*"

Page 24, after line 15, insert:

"Sec. 4. Minnesota Statutes 1981 Supplement, Section 15.781, Subdivision 2, is amended to read:

*Subd. 2. [PRIVATE DATA.] The following data collected, created or maintained by any licensing agency are classified as private, pursuant to section 15.162, subdivision 5a: ~~data, other than their names and addresses, submitted by licensees and applicants for licenses;~~ the identity of complainants who have made reports concerning licensees or applicants which appear in inactive complaint data unless the complainant consents to having his or her name disclosed; the nature or content of unsubstantiated complaints when the information is not maintained in anticipation of legal action; the identity of patients whose medical records are received by any health licensing agency for purposes of review or in anticipation of a contested matter; inactive investigative data relating to violations of statutes or rules; and the record of any disciplinary proceeding except as limited by subdivision 4."*

Page 24, line 18, after "2." insert "[REPORT.]"

- Page 24, line 25, strike the comma
- Page 24, strike line 26
- Page 24, line 27, strike everything before the colon
- Page 25, line 20, strike "such" and insert "the"
- Page 25, line 21, strike "is authorized and directed to" and insert "shall"
- Page 26, line 1, strike everything after "district"
- Page 26, line 2, strike "individual" and insert ". No individually identifiable record"
- Page 26, line 6, after "5." insert "[REPORT; DISTRIBUTION.]"
- Page 26, line 20, strike "data" and insert "*personal records, except names and addresses of program recipients and participants,*"
- Page 26, line 23, strike everything after "board"
- Page 26, line 24, before "nor" insert "are"
- Page 26, strike lines 26 and 27
- Page 27, line 8, strike "; said" and insert ". The"
- Page 27, lines 12 and 13, strike "; said" and insert ". The"
- Page 27, line 32, after "2." insert "[REPORT.]"
- Page 27, line 35, strike "shall be confidential"
- Page 27, line 36, strike "and"
- Page 28, line 5, after "1." insert "[INFORMATION PRACTICES.]"
- Page 28, lines 9 and 31, strike "are confidential"
- Page 28, lines 10 and 32, strike "and"
- Page 29, line 14, after "order" insert a comma
- Page 29, line 15, strike ", and" and insert a period
- Page 29, line 16, strike "shall be confidential"
- Page 29, line 17, strike "and"
- Page 30, line 12, strike "; and" and insert ". He"
- Page 30, line 18, strike "On or before September"
- Page 30, line 19, strike "1, 1976, and"
- Page 30, line 20, strike "thereafter"
- Page 31, line 19, strike "On December 1, 1976, and"
- Page 31, line 19, strike "thereafter"
- Page 31, line 34, strike "Laws 1976, Chapter 325" and insert "*this section*"
- Pages 31 and 32, delete section 15 and insert:
- "Sec. 16. Minnesota Statutes 1981 Supplement, Section 144A.10, Sub-



division 3, is amended to read:

Subd. 3. [REPORTS; POSTING.] After each inspection or reinspection required or authorized by this section, the commissioner of health shall, by certified mail, send copies of any correction order or notice of noncompliance to the nursing home. A copy of each correction order and notice of noncompliance, and copies of any documentation supplied to the commissioner of health or the commissioner of public welfare under sections 144A.03 or 144A.05 shall be kept on file at the nursing home and shall be made available for viewing by any person upon request. Except as otherwise provided by this subdivision, a copy of each correction order and notice of noncompliance received by the nursing home after its most recent inspection or reinspection shall be posted in a conspicuous and readily accessible place in the nursing home. No correction order or notice of noncompliance need be posted until any appeal, if one is requested by the facility, pursuant to subdivision 8, has been completed. All correction orders and notices of noncompliance issued to a nursing home owned and operated by the state or political subdivision of the state shall be circulated and posted at the first public meeting of the governing body after the order or notice is issued. ~~Confidential~~ Information protected by ~~section 15.163 or section 15.1691, shall not be made available or posted as provided in this subdivision unless it the uniform information practices code may be made available or posted only in a manner authorized by sections 15.1611 to 15.1699 the code.~~

Page 32, line 29, after "6." insert "[RIGHT TO REFUSE.]"

Page 33, line 18, strike ", which" and insert ". The file"

Page 33, line 19, strike "private information"

Page 33, line 32, after "2." insert "[REPORT.]"

Page 34, line 2, strike "classified as private data on"

Page 34, line 3, strike "individuals"

Page 34, delete section 19 and insert:

"Sec. 20. Minnesota Statutes 1981 Supplement, Section 197.603, Subdivision 2, is amended to read:

Subd. 2. [INFORMATION.] ~~Pursuant to sections 15.1611 to 15.1699~~ The veterans service officer is the responsible authority with respect to all records in his custody. The data on clients' applications for assistance ~~is private data on individuals, as defined in section 15.162, subdivision 5a~~ are accessible to its individual subject but not to the public."

Page 34, delete section 21 and insert:

"Sec. 22. Minnesota Statutes 1981 Supplement, Section 241.62, Subdivision 5, is amended to read:

Subd. 5. [CLASSIFICATION OF DATA COLLECTED BY GRANTEES.] Personal history information and other information collected, used or maintained by a grantee from which the identity of any battered woman may be determined is ~~private data on individuals, as defined in section 15.162, subdivision 5a~~ accessible to its individual subject but not to the public, and the grantee shall maintain the data in accordance with the ~~provisions of sections~~

~~15.1611 to 15.1699~~ *uniform information practices code.*"

Page 35, line 10, after "2." insert "[RULES.]"

Page 35, line 15, strike "both temporary and permanent"

Page 35, line 35, strike "and" and insert ". It"

Page 37, line 4, strike "private data,"

Page 37, line 5, delete "its" and insert "their"

Page 37, line 9, after "3." insert "[INFORMATION PRACTICES.]"

Page 37, line 10, strike "are"

Page 37, line 11, strike "private data on individuals and"

Page 37, line 22, strike "private and"

Page 37, line 23, strike "confidential"

Page 37, line 30, strike "any such" and insert "the"

Page 38, line 2, after "shall" insert "not"

Page 38, line 3, strike "confidential data"

Page 38, line 3, delete "and"

Page 38, line 4, delete "shall not be"

Page 38, delete section 28 and insert:

"Sec. 29. Minnesota Statutes 1981 Supplement, Section 362.53, Subdivision 17, is amended to read:

Subd. 17. [INFORMATION PRACTICES.] Financial information, including, but not limited to, credit reports, financial statements, and net worth calculations, received or prepared by the agency regarding any agency loan is ~~private data with regard to data on individuals as defined in section 15.162, subdivision 5a~~ *accessible to its individual subject but not to the public* and ~~non public data not subject to disclosure with regard to data not on individuals as defined in section 15.162, subdivision 5e.~~

Page 38, line 21, strike "private data on individuals,"

Pages 38 to 40, delete sections 30 and 31 and insert:

"Sec. 31. Minnesota Statutes 1981 Supplement, Section 626.556, Subdivision 11, is amended to read:

Subd. 11. [RECORDS.] All records maintained by a local welfare agency under this section, including any written reports filed under subdivision 7, shall be ~~private data on individuals~~ *accessible to their individual subject but not to the public*, except insofar as copies of reports are required by subdivision 7 to be sent to the local police department or the county sheriff. Report records maintained by any police department or the county sheriff shall be ~~private data on individuals~~ *accessible to their individual subject but not to the public* except the reports shall be made available to the investigating, petitioning, or prosecuting authority. The welfare board shall make available to the investigating, petitioning, or prosecuting authority any records which contain information relating to a specific incident of neglect or abuse which is under investigation,

petition, or prosecution and information relating to any prior incidents of neglect or abuse involving any of the same persons. The records shall be collected and maintained in accordance with the provision of sections ~~15.1611 to 15.1699~~ *the uniform information practices code*. An individual subject of a record shall have access to the record in accordance with ~~those sections the code~~, except that the name of the reporter shall be disclosed by the local welfare agency, police department, or county sheriff only upon court order or as required by law or a rule of civil or criminal procedure.

Records maintained by local welfare agencies, the police department or county sheriff under this section shall be destroyed as follows:

(a) All records relating to reports which, upon investigation, are found to be false shall be destroyed immediately;

(b) All records relating to reports which, upon investigation, are found to be substantiated shall be destroyed seven years after the date of the final entry in the case record; and

(c) All records of reports which, upon initial investigation, cannot be substantiated or disproved to the satisfaction of the local welfare agency, local police department or county sheriff may be kept for a period of one year. If the local welfare agency, local police department or county sheriff is unable to substantiate the report within that period, each agency unable to substantiate the report shall destroy its records relating to the report."

Page 40, line 22, strike "such"

Renumber the sections in sequence

Page 42, line 4, delete "VII" and insert "VIII"

Page 42, lines 7 and 9, delete "16B.5-101" and insert "16B.6-105"

Page 42, after line 9, insert:

"Sec. 2. [EXTENSION OF CERTAIN TEMPORARY CLASSIFICATIONS.]

*Data classified by temporary classifications granted prior to April 1, 1983, pursuant to section 15.1642, shall retain their temporary classification until April 1, 1983.*

Sec. 3. [SAVINGS CLAUSE.]

*The repeal of a section of Minnesota Statutes 1980, the repeal of a section of Minnesota Statutes 1981 Supplement, or the extension of a temporary classification pursuant to article VIII shall not be interpreted as a legislative intention that the data classification in the statute or temporary classification be treated in a specific manner. The provisions of articles I to VI shall be applied to records without regard to their prior statutory or administrative classification."*

Page 42, delete lines 11 to 15 and insert:

*"Minnesota Statutes 1980, Sections 15.167; 15.1674; 15.1675; 15.1676; 15.1677; 15.1678; 15.1679; 15.1681; 15.1691; 15.1694; 15.1696; and 15.1697; and Minnesota Statutes 1981 Supplement, Sections 15.1611; 15.162; 15.1621; 15.163; 15.1642; 15.165; 15.166; 15.1671; 15.1672;*

15.1673; 15.1682; 15.1683; 15.1692; 15.1693; 15.1695; 15.1698; 15.1699; 15.771; 15.772; 15.773; 15.774; 15.775; 15.776; 15.777; 15.778; 15.779; 15.781; 15.782; 15.783; 15.784; 15.785; 15.786; 15.787; 15.788; 15.789; 15.791; 15.792; and 15.793 are repealed."

Page 42, line 17, before "This" insert "Article VII, section 4, is effective the day following final enactment. The remainder of"

Page 42, line 17, delete "January 1, 1982" and insert "April 1, 1983, except that the rulemaking powers granted to any agency by this act may be exercised prior to its effective date. Any rules adopted pursuant to this act shall not take effect before April 1, 1983"

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to information practices of public bodies; regulating the treatment of government data; providing conditions for disclosure; enacting the uniform information practices code; providing penalties; amending Minnesota Statutes 1980, Sections 3.97, Subdivisions 9 and 11; 10A.02, Subdivision 11a; 72A.062, Subdivision 2; 115A.14, Subdivision 3; 123.704; 123.741, Subdivision 5; 136A.162; 144.1761, Subdivision 2; 144.216, Subdivision 2; 144.218; 144.225, Subdivision 1; 144.691, Subdivision 4; 144.693; 145.925, Subdivision 6; 147.073, Subdivision 1; 169.126, Subdivision 2; 241.44, Subdivision 1a; 241.66, Subdivision 1; 245.69, Subdivision 2; 256B.27, Subdivision 5; 268.40, Subdivision 3; 270A.11; 299F.055; 462A.065; and 626.557, Subdivisions 11 and 12; Minnesota Statutes 1981 Supplement, Sections 15.781, Subdivision 2; 144A.10, Subdivision 3; 197.603, Subdivision 2; 241.62, Subdivision 5; 362.53, Subdivision 17; 626.556, Subdivision 11; proposing new law coded as Minnesota Statutes, Chapter 16B; repealing Minnesota Statutes 1980, Sections 15.167; 15.1674; 15.1675; 15.1676; 15.1677; 15.1678; 15.1679; 15.1681; 15.1691; 15.1694; 15.1696; and 15.1697; and Minnesota Statutes 1981 Supplement, Sections 15.1611; 15.162; 15.1621; 15.163; 15.1642; 15.165; 15.166; 15.1671; 15.1672; 15.1673; 15.1682; 15.1683; 15.1692; 15.1693; 15.1695; 15.1698; 15.1699; 15.771; 15.772; 15.773; 15.774; 15.775; 15.776; 15.777; 15.778; 15.779; 15.781; 15.782; 15.783; 15.784; 15.785; 15.786; 15.787; 15.788; 15.789; 15.791; 15.792; and 15.793."

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

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

S.F. No. 2125: A bill for an act relating to real property; providing that covenants, conditions, restrictions or extensions thereof annexed to a grant, devise or conveyance of land that are or become nominal shall not operate as a basis of forfeiture; removing a time limitation of the duration of covenants, conditions and restrictions; amending Minnesota Statutes 1980, Section 500.20, Subdivision 1; repealing Minnesota Statutes 1980, Section 500.20, Subdivision 2.

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

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

S.F. No. 2062: A bill for an act relating to courts; providing for the appointment of a court commissioner to solemnize marriages in the combined county court district of Benton and Stéarns.

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

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

S.F. No. 1955: A bill for an act relating to tax forfeited land; restoring certain funds to the real estate assurance account; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 284.28, Subdivision 8.

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

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

S.F. No. 1561: A bill for an act relating to child support and maintenance payments; providing for the collection and withholding of payments; amending Minnesota Statutes 1981 Supplement, Sections 518.551, Subdivisions 1 and 2; and 518.611, Subdivision 1.

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 1981 Supplement, Section 256.872, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 3, Section 14, is amended to read:

Sec. 14. Minnesota Statutes 1981 Supplement, Section 256.872, Subdivision 1, is amended to read:

Subdivision 1. [WITHHOLDING ORDER.] Whenever an obligation for support of a dependent child or maintenance of a spouse, or both, in a proceeding for dissolution or legal separation or determination of parentage, has been determined and ordered by a court of this state, the public agency responsible for child support enforcement may move and the district or county that court shall grant an order providing for the withholding of the amount of child support or maintenance as determined by court order, from the income, regardless of source, of the person obligated to pay the support or maintenance. If the public agency responsible for child support enforcement determines that the obligor's arrearages have accumulated for more than one month, and if the agency is not pursuing another appropriate remedy, the agency shall move the district or county court for an order for withholding under this section or shall document a reason or reasons why withholding would not result in payment being made. *When an order for withholding has not previously been secured, the obligee may or the public agency responsible for child support enforcement shall move the court, and the court shall grant the order.* “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.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 256.872, Subdivision

2, is amended to read:

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 *obligee* or public agency responsible for child support enforcement determines that the obligor is at least 30 days in arrears;

(b) The *obligee* or 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 *obligee* or agency serves a copy of its determination of delinquency and a copy of the court's withholding order on the payor of funds; *and*

(e) *The obligee serves 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 if the obligee is not receiving public assistance.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 518.551, Subdivision 1, is amended to read:

Subdivision 1. [ORDER.] ~~A court having jurisdiction over proceedings for dissolution, legal separation or determination of parentage shall direct that all payments ordered for maintenance and support shall be made to the public authority so long as the obligee is receiving or has applied for public assistance. Amounts received by the public authority greater than the amount granted to the obligee shall be remitted to the obligee. Whenever an obligation for support of a dependent child or maintenance of a spouse, or both, in a proceeding for dissolution or legal separation or determination of parentage, has been determined and ordered by a court of this state, that court shall order the withholding of the amount of child support or maintenance as determined by court order, from the income, regardless of source, of the person obligated to pay the support or maintenance. When an order for withholding has not previously been secured, the obligee may or the public agency responsible for child support enforcement shall move the court, and the court shall grant the order.~~

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.

*The court shall direct that all payments ordered for maintenance and support be made to the public agency responsible for child support enforcement so long as the obligee is receiving or has applied for public assistance. Amounts received by the public agency responsible for child support enforcement greater than the amount granted to the obligee shall be remitted to the obligee.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 518.551, Subdivision 2, is amended to read:

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 *obligee* or public authority determines that the obligor is at least 30 days in arrears;

(b) The *obligee* or 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 *obligee* or public authority serves a copy of its determination of arrearage and a copy of the court's withholding order on the payor of funds; *and*

(e) *The obligee serves 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 if the obligee is not receiving public assistance.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 518.611, Subdivision 1, is amended to read:

Subdivision 1. [ORDER TO WITHHOLD INCOME.] ~~The obligee or the public authority may at any time move the court to order, and the court shall order the employer, trustee or other payor of funds to withhold from the obligor's income, regardless of source, an amount equal to the court's order for support or maintenance. Whenever an obligation for support of a dependent child or maintenance of a spouse, or both, in a proceeding for dissolution or legal separation or determination of parentage, has been determined and ordered by a court of this state, that court shall order the withholding of the amount of child support or maintenance as determined by court order, from the income, regardless of source, of the person obligated to pay the support or maintenance. When an order for withholding has not previously been secured, the obligee may or the public agency responsible for child support enforcement shall move the court, and the court shall grant the order.~~

Sec. 6. [518.645] [FORM OF ORDER.]

*Unless otherwise ordered by the court, an order for withholding of support or maintenance payments issued pursuant to sections 256.872, subdivision 1, 518.551, subdivision 1, or 518.611, subdivision 1, shall be substantially in the following form:*

**IT IS ORDERED:**

1. *That the sum of ..... per ....., representing child support and/or spousal maintenance, ordered by the Court, shall be withheld from the (Husband/Wife Respondent/Petitioner)'s income on ..... by (his/her) present employer, ....., and any future employer, and shall be remitted at least monthly to: ....., monthly or more frequently, in accordance with the*

provisions of Minnesota Statutes, Chapter 518. The file number above and the employee's name shall be included with each remittance.

2. That the parties are notified that CHILD SUPPORT AND/OR MAINTENANCE WILL BE WITHHELD FROM INCOME ONLY AFTER ALL OF THE FOLLOWING CONDITIONS HAVE BEEN MET:

(a) ..... or the Obligee determines that the Obligor is at least thirty days in arrears in the payment of child support and/or spousal maintenance;

(b) ..... or the Obligee serves written notice on the Obligor of its determination that child support and/or maintenance payments are thirty days in arrears;

(c) Within fifteen days after service of the notice, the Obligor either fails to pay all past due payments or to move the Court, Minnesota Statutes, Section 518.64, to modify the order respecting the amount of child support and/or spousal maintenance and, ex parte, to stay service of withholding on the employer until the motion to modify is heard; and

(d) Not sooner than fifteen days after service of written notice in paragraph (b) on the Obligor, ..... or the Obligee serves a copy of its determination of a thirty-day delinquency and a copy of the Court's withholding order on the employer, who will then be obligated to withhold payments from income and forward the amount withheld to .....

3. That the parties and the employer are further notified that NO EMPLOYER MAY DISCHARGE, SUSPEND, OR OTHERWISE PENALIZE OR DISCIPLINE AN EMPLOYEE BECAUSE THE EMPLOYER MUST WITHHOLD SUPPORT OR MAINTENANCE MONEY. Minnesota Statutes, Sections 256.873 and 518.611, Subdivision 4. A VIOLATION OF THIS PROVISION IS A MISDEMEANOR. Minnesota Statutes, Section 256.878.

4. That, in the event the Obligee performs service on the employer under paragraph 2 (d), the determination and order shall also be served on ..... together with an application to use collection services.

5. That service of this Order shall be.....

Sec. 7. [REPEALER.]

Minnesota Statutes 1980, Sections 256.874 and 256.878; and Minnesota Statutes 1981 Supplement, Sections 256.875 and 256.877 are repealed."

Amend the title as follows:

Page 1, line 5, after "Sections" insert "256.872, Subdivision 1, as amended, and 2;"

Page 1, line 6, before the period, insert "; proposing new law coded in Minnesota Statutes, Chapter 518; repealing Minnesota Statutes 1980, Sections 256.874 and 256.878; and Minnesota Statutes 1981 Supplement, Sections 256.875 and 256.877"

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

Mr. Humphrey from the Committee on Energy and Housing, to which was



referred

S.F. No. 1657: A bill for an act relating to residential energy credits; extending the effective date; amending Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 14.

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

Page 1, line 12, strike "and" and insert a comma

Page 1, line 12, after "(d)" insert ", and (e)"

Page 2, line 28, strike "and"

Page 3, line 18, strike the period and insert "; and"

Page 3, after line 18, insert:

*"(e) Expenditures for superinsulation construction. For purposes of this credit, "superinsulation construction" means a residential structure which complies with applicable building standards and is constructed to meet the following performance standard:*

*Total heat loss is less than or equal to .136 BTU's per hour per degree Fahrenheit per square foot. This number is calculated by dividing the design heat loss, including infiltration, by total heated floor area and design temperature difference. Design heat loss is calculated in accordance with procedures in the 1981 American Society of Heating, Refrigeration And Air Conditioning Engineers (ASHRAE) Handbook of Fundamentals, not including the insulating value of movable window insulation;*

*Eligible superinsulation construction expenditures shall be for:*

- (1) Insulation materials;*
- (2) Air to air heat exchanger, including installation;*
- (3) Airtight vapor barrier and caulking materials;*
- (4) Extra costs of windows with more than two layers of glass."*

Page 3, line 35, delete "1987" and insert "1989"

Amend the title as follows:

Page 1, delete lines 2 to 4 and insert "relating to taxation; providing energy credits for property providing a certain thermal integrity factor; extending the effective date for the credit; amending Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 14."

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Humphrey from the Committee on Energy and Housing, to which was referred

S.F. No. 927: A bill for an act relating to taxation; authorizing governmental subdivisions to levy taxes for energy conservation measures; amending Minnesota Statutes 1980, Section 275.50, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be

re-referred to the Committee on Taxes and Tax Laws. Report adopted.

Mr. Humphrey from the Committee on Energy and Housing, to which was referred

S.F. No. 929: A bill for an act relating to commerce; requiring manufacturers of alcohol fueled motor vehicles to offer the same for sale within the state; proposing new law coded in Minnesota Statutes, Chapter 325E.

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

Mr. Humphrey from the Committee on Energy and Housing, to which was referred

S.F. No. 1886: A bill for an act relating to energy; specifying the role of the department of energy, planning and development before the public utilities commission; clarifying certain public utilities commission responsibilities; amending Minnesota Statutes 1980, Sections 116H.02, Subdivision 5; and 216B.03; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.11, by adding a subdivision; and 216B.241, Subdivision 2.

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

Pages 2 to 5, delete sections 2, 3, 4 and 5

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 2 to 9 and insert

“relating to energy; changing the definition of large energy facility; amending Minnesota Statutes 1980, Section 116H.02, Subdivision 5.”

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

Mr. Humphrey from the Committee on Energy and Housing, to which was referred

S.F. No. 959: A bill for an act relating to taxation; property tax; extending the energy device exemption to certain devices used to provide energy for sale; amending Minnesota Statutes 1980, Section 273.11, Subdivision 6.

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

Page 1, line 17, delete “of”

Page 1, line 18, delete “less than” and insert “not to exceed”

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Humphrey from the Committee on Energy and Housing, to which was referred

S.F. No. 1221: A bill for an act relating to the city of Brooklyn Center; authorizing the establishment of a home energy conservation program as part of its municipal utility system and the issuance of bonds or notes for that

purpose.

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

Delete everything after the enacting clause and insert:

“Section 1. [PROGRAM.]

*The city of Brooklyn Center may establish a home energy conservation improvement program to provide means for the city to aid all residents of the city to maintain their home energy requirements by reducing overall energy demand, thus tending to assure the continuance of essential public, industrial, and commercial activities. The expenditures of public funds authorized by this act are determined to be necessary governmental actions, particularly under present conditions of uncertain and limited energy supplies, increasing costs for gas and oil, and difficulty and delay in the increase of energy supplies from all sources due to environmental concerns.*

*Provisions for the operation and financing of the program shall be made by and pursuant to resolutions adopted by the city council. The powers granted by this act are supplemental, and the procedures authorized for exercising them are alternative to those provided in other law.*

Sec. 2. [DEFINITION.]

*“Residential energy conservation improvement” means the following devices, methods, and materials, if recommended by an approved energy audit and having a maximum cost of \$3,000, which increase the efficiency of residential use of energy:*

- (1) Insulation and ventilation;*
- (2) Storm or thermal doors or windows;*
- (3) Caulking and weatherstripping;*
- (4) Furnace efficiency modifications and replacements;*
- (5) Thermostat or lighting controls; and*
- (6) Systems to turn off or vary the delivery of energy.*

*The term “residential energy conservation improvement” does not include any device or method which creates, converts, or actively uses energy from renewable sources such as solar, wind, or biomass.*

Sec. 3. [LOCAL IMPROVEMENTS; PAYMENTS.]

*Subdivision 1. [CONTRACTS.] To provide for home energy conservation improvements, when requested by the owner of a one to four unit residential building, the city may develop a program which allows:*

*(a) The city to negotiate and contract with contractors to perform work or furnish materials or both, for one or more projects, in accordance with schedules coordinated and approved by the city;*

*(b) The homeowner, subject to the approval of the city, to negotiate and contract with contractors to perform work or furnish materials or both, for one or more projects, in accordance with schedules coordinated and approved by the city; or*

(c) *The city to contract with a homeowner for labor or materials or both, provided that in such cases the city may inspect the work performed and shall not pay the homeowner for his labor.*

Subd. 2. [PAYMENTS.] (a) *The city may contract with each homeowner for payment of the cost in cash upon completion of the project, with payment secured by deposit in advance of an amount equal to at least 90 percent of the contract price, or by a written commitment by a bank or other approved financial institution to loan the full amount of the contract price to the homeowner. The homeowner, the financial institution and the city, may agree to any convenient method of repayment.*

(b) *The city may accept payment by a promissory note in a principal amount equal to the contract price, repayable in equal periodic installments, including both principal and interest on the declining principal balance. Provisions may be agreed upon to permit or restrict prepayment.*

(c) *The city may specially assess the benefited property in the manner provided in Minnesota Statutes, Chapter 429.*

*Debts for improvements are a first and prior lien on the property improved as provided in Minnesota Statutes, Section 514.67. If not paid when due they shall be entered upon the tax rolls and collected with and as a part of the taxes on the property, with the same interest and penalties.*

#### Sec. 4. [EFFECTIVE DATE.]

*This act is effective upon approval by the governing body of the city of Brooklyn Center and upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3."*

Amend the title as follows:

Page 1, delete lines 4 and 5, and insert "program; permitting special assessment for energy improvements."

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

Mr. Humphrey from the Committee on Energy and Housing, to which was referred

S.F. No. 1677: A bill for an act relating to municipal planning and zoning; prohibiting exclusion of manufactured homes and other types of single family dwellings; amending Minnesota Statutes 1980, Section 462.357, Subdivision 1.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1980, Section 394.25, Subdivision 3, is amended to read:

Subd. 3. Within each such district zoning ordinances or maps may also be adopted designating or limiting the location, height, *width*, bulk, number of stories, size of, and the specific uses for which dwellings, buildings, and structures may be erected or altered; the minimum and maximum size of yards,

courts, or other open spaces; setback from existing roads and highways and roads and highways designated on an official map; protective measures necessary to protect the public interest including but not limited to controls relating to appearance, signs, lighting, hours of operation and other aesthetic performance characteristics including but not limited to noise, heat, glare, vibrations and smoke; the area required to provide for off street loading and parking facilities; heights of trees and structures near airports; and to avoid too great concentration or scattering of the population. All such provisions shall be uniform for each class of land or building throughout each district; but the provisions in one district may differ from those in other districts. No provision may prohibit earth sheltered construction as defined in section 116H.02, subdivision 3, *or manufactured homes built in conformance with sections 327.31 to 327.35*, that ~~complies~~ *comply* with all other zoning ordinances promulgated pursuant to this section."

Page 1, line 12, after "height," insert "width,"

Page 1, lines 24 and 25, delete "*or single family housing zoning ordinance*"

Page 2, lines 1 and 2, delete the new language

Page 2, line 3, delete "dwellings" and insert "*or manufactured homes built in conformance with sections 327.31 to 327.35*"

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "Section" and insert "Sections 394.25, Subdivision 3; and"

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. 1966: A bill for an act relating to education; authorizing Independent School District No. 742 to commence AVTI construction subject to certain conditions.

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

Mr. Hughes from the Committee on Education, to which was referred

S.F. No. 1888: A bill for an act relating to education; requiring welfare and correctional institutions to submit an educational policy to the commissioner of education; proposing new law coded in Minnesota Statutes, Chapter 121.

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

Page 1, line 20, delete "certified" and insert "licensed"

Page 1, line 21, delete "certification" and insert "licensure"

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. 1858: A bill for an act relating to education; authorizing school

districts to develop programs enabling secondary students to attend courses at post secondary institutions; proposing new law coded in Minnesota Statutes, Chapter 123.

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

Delete everything after the enacting clause and insert:

“Section 1. [LEGISLATIVE INTENT.]

*The legislature recognizes the fiscal constraints facing schools and the need to provide more cost effective delivery of educational services. At the same time, the legislature is committed to broad course offerings to meet the needs of secondary students. Therefore, the legislature encourages school districts and post-secondary institutions to participate in cooperative arrangements which will enhance curricular offerings available to secondary students.*

Sec. 2. [123.3511] [AUTHORIZATION FOR AGREEMENTS.]

*Notwithstanding any other law to the contrary, school districts, individually or in conjunction with other districts, may enter into agreements with post-secondary institutions to allow secondary students to enroll in courses which are not available at the secondary schools.*

Sec. 3. [123.3512] [IMPLEMENTATION.]

*Subdivision 1. [CREDITS.] Post-secondary institutions shall be the institutions awarding credit for instruction offered pursuant to section 2. Notwithstanding any law to the contrary, school districts may accept the transfer of those credits toward the awarding of diplomas of participating students.*

*Subd. 2. [FINANCIAL ARRANGEMENTS.] Reimbursement for instruction offered by post-secondary institutions pursuant to section 2 shall be determined by participating secondary and post-secondary institutions or their governing boards.*

*For purposes of appropriations to post-secondary institutions, student credit hours earned through programs authorized pursuant to section 2 shall not be included as regular instructional activity at participating post-secondary institutions.*

*State aid shall not be withheld from a school district pursuant to section 124.19, subdivision 3, as a result of a school district participating in a program authorized in section 2.*

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective the day following final enactment.”*

Amend the title as follows:

Page 1, line 4, after “institutions;” insert “permitting the granting and transfer of credits for students; allowing reimbursement for instruction;”

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. 1365: A bill for an act relating to education; transferring develop-

mental achievement centers from the department of public welfare to the state board of education; appropriating money; amending Minnesota Statutes 1980, Sections 123.39, Subdivision 13; 256E.03, Subdivision 2; and 256E.06, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 120; repealing Minnesota Statutes 1980, Sections 252.21 to 252.261.

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

Delete everything after the enacting clause and insert:

“Section 1. [DEVELOPMENTAL ACHIEVEMENT SERVICES; STUDY OF TRANSFER.]

*The commissioner of public welfare, in cooperation with the commissioner of education, shall provide to the legislature no later than September 30, 1983, a plan designed to consider the feasibility of the following: transferring from the department of public welfare and designated county social service agencies to the department of education and local school boards responsibility for providing developmental achievement services for mentally retarded and cerebral palsied children who are less than four years of age.*

*The plan shall include recommendations with respect to:*

- (1) Services to be provided to children and their families;*
- (2) Administration of programs;*
- (3) Appropriate funding mechanisms;*
- (4) Appropriate inter-agency activity necessary to effectuate the transfer.*

Sec. 2. Minnesota Statutes 1980, Section 256B.02, Subdivision 7, is amended to read:

Subd. 7. “Vendor of medical care” means any person or persons furnishing, within the scope of his respective license, any or all of the following goods or services: medical, surgical, hospital, optical, visual, dental and nursing services; drugs and medical supplies; appliances; laboratory, diagnostic, and therapeutic services; nursing home and convalescent care; screening and health assessment services provided by public health nurses; health care services provided at the residence of the patient if the services are performed by a public health nurse and the nurse indicates in a statement submitted under oath that the services were actually provided; *services provided as needed by developmental achievement centers licensed by the commissioner for mentally retarded and cerebral palsied adults who are residents of intermediate care facilities for the mentally retarded;* and such other medical services or supplies provided or prescribed by persons authorized by state law to give such services and supplies.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 256B.02, Subdivision 8, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 31, 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.

(3) Physicians' services.

(4) Outpatient hospital or clinic services.

*(5) Developmental achievement services for mentally retarded and cerebral palsied adult residents of intermediate care facilities for the mentally retarded.*

~~(5)~~ (6) Home health care services.

~~(6)~~ (7) Private duty nursing services.

~~(7)~~ (8) Physical therapy and related services.

~~(8)~~ (9) Dental services, excluding cast metal restorations.

~~(9)~~ (10) Laboratory and x-ray services.

~~(10)~~ (11) The following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices. The commissioner shall designate a formulary committee which shall advise the commissioner on the names of drugs for which payment shall 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 commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. 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. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act. The formulary shall not include: drugs for which there is no federal funding; over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; nutritional products; anorectics; and drugs for which medical value has not been established. Payment to drug vendors shall not be modified before the formulary is established. The commissioner may promulgate conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

The basis for determining the amount of payment shall be the actual acquisition cost of the drug plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the administrative procedure act. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2.

~~(11)~~ (12) Diagnostic, screening, and preventive services.



(12) (13) 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) (14) 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) (15) 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) (16) 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) (17) Any other medical or remedial care licensed and recognized under state law unless otherwise prohibited by law.

(18) *Home and community-based care services provided under an approved care plan for persons who, without such services, would, as determined through pre-admission screening, require institutional care in a Title XIX-certified intermediate care facility for the mentally retarded. The following services shall be included: (1) services provided by developmental achievement centers licensed by the commissioner; and (2) semi-independent living services provided by persons licensed by the commissioner. Reimbursement shall be made directly to the vendor of services. The commissioner shall apply by June 1, 1982, for any federal waiver necessary to secure federal financial participation for services provided under this clause and shall proceed to implement the waiver as soon as possible after receipt.*

Sec. 4. Minnesota Statutes 1981 Supplement, 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. [DEVELOPMENTAL ACHIEVEMENT SERVICES.] Until such time as the commissioner can promulgate an appropriate rate-setting rule, payments to vendors of developmental achievement services shall be as follows: payment for the biennium ending June 30, 1983, shall be based on the facility's per diem per adult for program and transportation services for developmental achievement services in state fiscal year 1981. Annual increases are subject to the provisions of section 256.966.*

*Subd. 3. [SEMI-INDEPENDENT LIVING SERVICES.] Until such time as the commissioner can promulgate an appropriate rate-setting rule, payments to vendors of semi-independent living services for mentally retarded and cerebral palsied adults shall be as follows: payment for the biennium ending June 30, 1983, shall be based on the provider's average daily charge per person for semi-independent living services in state fiscal year 1981. Annual increases are subject to the provisions of section 256.966.*

*Subd. 4. [LIMIT ON ANNUAL INCREASE TO LONG-TERM CARE PROVIDERS.] Notwithstanding the provisions of sections 256B.42 to 256B.48, Laws 1981, Chapter 360, Article II, Section 2, or any other provision of chapter 360, 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 rate years beginning during the biennium ending June 30, 1983, shall not exceed by more than ten percent the final rate allowed to the facility for the preceding rate year.*

Notwithstanding provisions of section 256B.45, subdivision 1, the commissioner shall not increase the percentage for investment allowances.

#### Sec. 5. [RULES.]

*The commissioner shall promulgate rules as required by sections 1 to 6.*

#### Sec. 6. [TRANSFER OF FUNDS.]

*Notwithstanding the provisions of Laws 1981, Chapter 360, Article 1, Section 2, effective July 1, 1982, the commissioner, in order to provide home and community-based care services for Medicaid-eligible mentally retarded persons who would otherwise require institutional care, is authorized to transfer to the state medical assistance account: (1) \$1,496,400 of the 1983 appropriations for semi-independent living services and community-based deinstitutionalization aid to counties; and (2) from the fiscal year 1983 community social service appropriation, an amount equal to state funds expended in fiscal year 1982 by the counties for developmental achievement services for Medicaid-eligible mentally retarded persons."*

Delete the title and insert:

"A bill for an act relating to services for the mentally retarded and cerebral palsied; requiring the commissioners of education and public welfare to plan for the transfer of developmental achievement services for pre-school children; permitting reimbursement under medical assistance for developmental achievement and semi-independent living services provided to certain mentally retarded and cerebral palsied persons; transferring funds; amending Minnesota Statutes 1980, Section 256B.02, Subdivision 7; Minnesota Statutes 1981

Supplement, Sections 256B.02, Subdivision 8, as amended; and 256B.03.”

And when so amended the bill do pass and be re-referred to the Committee on Health, Welfare and Corrections. Amendments adopted. Report adopted.

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

S.F. No. 1773: A bill for an act relating to elections; proposing an amendment to the Minnesota Constitution, Article VII, Section 9, to limit campaign expenditures by candidates for the United States senate and house of representatives; providing implementing legislation; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 13, and by adding a subdivision; 10A.20, Subdivision 3a, and by adding a subdivision; 10A.22, by adding a subdivision; 10A.25, Subdivisions 5, 6, 7, 10, and by adding a subdivision; 10A.27; 10A.275; 10A.28, Subdivisions 1 and 2; 10A.31, Subdivisions 2 and 7; and 10A.335; Minnesota Statutes 1981 Supplement, Sections 10A.255, Subdivision 1; and 10A.31, Subdivisions 1, 3, and 5.

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

Page 2, line 35, after “3a.” insert “[COUNTIES SPECIFIED.]”

Page 3, after line 18, insert:

“Sec. 8. Minnesota Statutes 1980, Section 10A.25, Subdivision 2, is amended to read:

Subd. 2. [STATE CANDIDATES.] In a year in which an election is held for an office sought by a candidate, no expenditures shall be made by the principal campaign committee of that candidate, nor any approved expenditures made on behalf of that candidate which expenditures and approved expenditures result in an aggregate amount in excess of the following:

(a) For governor and lieutenant governor, running together, 12 1/2 cents per capita or ~~\$600,000~~ \$1,300,000, whichever is greater;

(b) For attorney general, 2 1/2 cents per capita or ~~\$100,000~~ \$130,000, whichever is greater;

(c) For secretary of state, state treasurer and state auditor, separately, 1 1/4 cents per capita or ~~\$50,000~~ \$100,000, whichever is greater;

(d) For state senator, 20 cents per capita or ~~\$15,000~~ \$30,000, whichever is greater;

(e) For state representative, 20 cents per capita or ~~\$7,500~~ \$15,000, whichever is greater.”

Page 3, line 28, delete “\$1,200,000” and insert “\$1,900,000”

Page 3, line 30, delete “\$200,000” and insert “\$225,000”

Page 5, line 11, after “1.” insert “[COST OF LIVING ADJUSTMENT.]”

Pages 5 to 8, delete sections 14 and 15

Page 8, delete section 17

Page 10, line 1, delete “12” and insert “11”

Page 10, line 3, delete “3.5” and insert “1.25”

Page 10, line 4, delete "2" and insert ".5"

Page 10, line 7, delete "12.5" and insert "15"

Page 10, line 8, delete "25" and insert "30"

Page 10, line 11, delete "18.75" and insert "22.5"

Page 10, line 13, delete "15" and insert "11"

Page 10, line 14, delete "26" and insert "30.25"

Page 12, after line 33, insert:

"Sec. 22. [REPEALER.]

*Minnesota Statutes 1980, Section 10A.27, Subdivision 7, is repealed."*

Page 12, line 35, delete "23" and insert "22"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "changing campaign spending limits for state officers;"

Page 1, line 10, after "Subdivisions" insert "2,"

Page 1, line 11, delete "10A.27; 10A.275;" and after "10A.28," delete "Subdivisions" and insert "Subdivision"

Page 1, line 12, delete "and 2"

Page 1, line 14, before the period insert "; repealing Minnesota Statutes 1980, Section 10A.27, Subdivision 7"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Olhoft from the Committee on General Legislation and Administrative Rules, to which was referred

S.F. No. 1838: A bill for an act relating to administrative procedures; providing for notice of temporary rulemaking; amending Minnesota Statutes 1981 Supplement, Section 15.0412, Subdivision 5.

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

Mr. Olhoft from the Committee on General Legislation and Administrative Rules, to which was referred

S.F. No. 1878: A bill for an act relating to state historic sites; the Old Federal Courts building; amending Minnesota Statutes 1980, Section 138.56, Subdivision 7.

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

Mr. Olhoft from the Committee on General Legislation and Administrative Rules, to which was referred

S.F. No. 2037: A bill for an act relating to local government; providing for

city facilities related to armories; authorizing issuance of bonds; proposing new law coded in Minnesota Statutes, Chapter 193.

Reports the same back with the recommendation that the bill do pass. Mr. Johnson questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S.F. No. 1747: A bill for an act relating to natural resources; extending the time during which the commissioner of natural resources may extend timber permits; amending Laws 1981, Chapter 305, Section 11.

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

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1980, Section 90.201, is amended to read:

90.201 [VOID TIMBER SALES; ~~WHEN VOID~~; REFUNDS; ADJUSTMENT OF SALE TERMS.]

*Subdivision 1.* [VOID SALES; REFUNDS.] Any sale of timber made by fraud or mistake or in violation of the provisions of this chapter shall be void, the permit issued thereon shall be of no effect, and the holder shall be required to surrender the same. In case of a sale made by mistake the amount so paid shall be refunded to the permit holder, or at his request the commissioner may credit the refund as payment upon any other timber purchased by the permit holder. If timber has been cut on a permit which required cancellation due to error by the state, it may be sold at single stumpage rate without formalities.

*Subd. 2.* [REFUNDS ON FINAL BILLING; INTEREST PAYMENT ON LATE REFUNDS.] *The commissioner shall refund to a permit holder any amount paid on a timber sale which exceeds the value of the timber cut under that sale as determined on a final statement transmitted pursuant to section 90.181. The permit holder may request that the commissioner credit the refund as payment on another permit held by that permit holder.*

*Any refund of cash which is due to a permit holder as determined on a final statement transmitted pursuant to section 90.181 which is not paid to the permit holder within 45 days after the date of that statement shall bear interest at the rate determined pursuant to section 549.09 unless the refund is credited on another permit held by that permit holder. Interest shall be paid from the date of the final statement. No interest shall be paid in an amount of \$1 or less.*

*Subd. 3.* [REAPPRAISAL OF DAMAGED TIMBER.] *When timber under a valid permit is damaged or destroyed by natural causes, including fire, windstorm, or flood, the commissioner may reappraise the timber and make a correction in the permit.*

*Subd. 4.* [SETTLEMENT OF PERMIT OBLIGATIONS.] *When a permit holder dies or becomes permanently incapacitated, the commissioner may compromise and settle the remaining obligations to the state.”*

Page 1, line 13, strike “Section 90.191” and insert “ Chapter 90”

Page 1, line 14, delete “June 30” and insert “December 31”

Page 1, lines 16 and 18, strike "section 90.191" and insert "chapter 90"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "requiring payment of interest on late refunds to timber sale permit holders; authorizing reappraisal of damaged or destroyed timber sold under a permit; authorizing settlement of permit obligations when a permittee is incapacitated or deceased;"

Page 1, line 4, after "amending" insert "Minnesota Statutes 1980, Section 90.201; and"

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

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

S.F. No. 1765: A bill for an act relating to game and fish; removing the restriction upon issuance of wild turkey licenses; amending Minnesota Statutes 1980, Section 100.271, Subdivision 3a.

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

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

S.F. No. 2010: A bill for an act relating to local government; permitting special charges for disposal of various classes of waste; proposing new law coded in Minnesota Statutes, Chapter 471.

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

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

S.F. No. 2055: A bill for an act relating to resource recovery; permitting the use of waste oil heaters in commercial and industrial buildings; proposing new law coded in Minnesota Statutes, Chapter 299F.

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

Delete everything after the enacting clause and insert:

"Section 1. [299F.015] [USE OF WASTE OIL BURNERS.]

*Subdivision 1. [DEFINITIONS.] (a) "Waste oil" means a refined oil which has been used for the original purpose for which it was intended, has been contaminated by impurities as a result of that use, and which may be disposed of without controls required by the rules of the pollution control agency adopted under section 116.07.*

*(b) "Approved waste oil burner" means a device designed to burn waste oil for heating purposes, which is found by a recognized independent testing laboratory to provide a degree of safety substantially equivalent to other devices approved for similar purposes under the uniform fire code or state*

*building code.*

*Subd. 2. [HEATERS PERMITTED.] Notwithstanding any contrary provision of sections 16.83 to 16.867 or 299F.011, or any rule adopted under those sections, the state fire marshal, the state building inspector, and political subdivisions may permit the installation and use of approved waste oil burners in gasoline service stations or commercial garages where any repair services which may be offered are limited to exchange of parts and maintenance which does not require an open flame, welding, or use of highly inflammable liquids.*

Sec. 2. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

Amend the title as follows:

Page 1, line 3, delete everything after "oil"

Page 1, line 4, delete "buildings" and insert "burners in certain gasoline stations and garages"

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

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

S.F. No. 1714: A bill for an act relating to the environment; limiting and reducing emissions of sulphur dioxide in the state; requiring acid deposition control standards by the pollution control agency; requiring reports; proposing new law coded in Minnesota Statutes, Chapter 116.

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

Page 1, line 10, after "deposition" insert "substantially"

Page 1, line 12, delete "pose" and insert "poses"

Page 1, line 18, delete "this act" and insert "sections 1 to 4"

Page 1, line 20, delete "in the hope that" and insert "and to support and encourage"

Page 1, line 21, delete "will recognize" and insert "in recognizing"

Page 1, line 22, delete "take" and insert "taking"

Page 1, line 25, delete "this act" and insert "sections 1 to 4"

Page 2, line 10, delete "acid rain sensitive"

Page 2, line 11, after "species" insert "which are sensitive to acid deposition"

Page 2, line 14, delete "rain" and insert "deposition"

Page 2, line 20, after the period, insert "The list shall not be subject to the rulemaking or contested case provisions of chapter 15."

Page 2, delete subdivision 2 and insert:

"Subd. 2. [STANDARDS.] (a) By January 1, 1985, the agency shall adopt

*an acid deposition standard for wet plus dry acid deposition in the acid deposition sensitive areas listed pursuant to subdivision 1.*

*(b) By January 1, 1986, the agency shall adopt an acid deposition control plan to attain and maintain the acid deposition standard adopted under clause (a), addressing sources both inside and outside of the state which emit more than 100 tons of sulphur dioxide per year. The plan shall include an analysis of the estimated compliance costs for facilities emitting sulphur dioxide. Any emission reductions required inside of the state shall be based on the contribution of sources inside of the state to acid deposition in excess of the standard.*

*(c) By January 1, 1990, sources located inside the state shall be in compliance with the provisions of the acid deposition control plan."*

Pages 2 and 3, delete section 4 and insert:

"Sec. 4. [116.45] [REPORTS TO THE LEGISLATURE.]

*By January 1, 1986, the agency shall submit its acid deposition control plan to the appropriate substantive committees of both houses of the legislature. By January 1, 1987, and each two years thereafter until January 1, 1991, the agency shall submit to the legislative committees a report detailing the reduction of sulphur dioxide needed to meet the requirements of section 3 and the progress which has been made to meet those requirements.*

Sec. 5. [APPROPRIATION.]

*The sum of \$81,455 is appropriated from the general fund to the agency for the purposes of this act."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "requiring" insert "adoption of an"

Page 1, line 4, delete "standards" and insert "standard and plan"

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

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 2122: A bill for an act relating to state finances; appropriating money for expenses incidental to a land exchange; providing for the exchange of certain land in Hennepin County on certain conditions.

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

Page 4, after line 13, insert:

*"(f) An amount necessary to compensate the state for any amount by which the value of the property and improvements conveyed to the transferee exceeds the value of the property and improvements conveyed to the state."*

And when so amended the bill do pass and be re-referred to the Committee



on Finance. Amendments adopted. Report adopted.

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

S.F. No. 1908: A bill for an act relating to waters and watercraft safety; clarifying certain watercraft definitions and changing registration fees; amending Minnesota Statutes 1980, Sections 361.02, by adding subdivisions; and 361.03, Subdivision 3.

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

Page 1, after line 8, insert:

“Section 1. Minnesota Statutes 1980, Section 361.02, Subdivision 7, is amended to read:

Subd. 7. “Watercraft” means any contrivance used or designed for navigation on water other than (a) a duck boat during the duck hunting season, (b) a rice boat during the harvest season, ~~or~~ (c) a seaplane or (d) an inflatable, nonmotorized watercraft nine feet or less in length.”

Page 1, delete section 2

Page 1, line 23, strike “after December 31,” and delete “1982”

Page 2, lines 2 to 4, delete the new language

Page 2, line 5, delete “, not”

Page 2, line 6, delete the new language and insert “for which a fee is not otherwise provided in this subdivision”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete “clarifying”

Page 1, line 3, delete everything before “changing” and insert “amending the definition of watercraft; defining paddle boat;”

Page 1, line 5, before “by” insert “Subdivision 7, and”

Page 1, line 5, delete “subdivisions” and insert “a subdivision”

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

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

S.F. No. 1708: A bill for an act relating to the environment; regulating certain assessments for the environmental quality board; amending Minnesota Statutes 1981 Supplement, Section 116C.69, Subdivision 3.

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

Page 1, line 13, strike everything after “conditions”

Page 1, strike line 14

Page 1, line 15, strike "designation" and insert "specified in a site certificate or construction permit"

Page 1, line 15, before "made" insert "by the board against the holder of the certificate or permit"

Page 2, after line 11, insert:

"Sec. 2. [EFFECTIVE DATE.]

*This act is effective June 1, 1982.*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 2111: A bill for an act relating to real estate; directing a conveyance of the state's right, title and interest in certain lands to Lake of the Woods County.

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

Page 1, line 9, delete "quitclaim" and insert "quitclaim"

Page 1, after line 15, insert:

"Sec. 2. [CONVEYANCE OF LAND; BELTRAMI COUNTY.]

*The commissioner of revenue shall convey, without monetary consideration, by quitclaim deed in a form approved by the attorney general to Beltrami County, all right, title and interest of the state in and to that certain tract of land located within the county of Beltrami, Minnesota, and described as:*

*West Half of South Half of East Quarter of Southwest Quarter of Southeast Quarter (W 1/2 of S 1/2 of E 1/4 of SW 1/4 of SE 1/4), less North One Hundred Thirty-two (132) feet, Section Five (5), Township One Hundred Forty-six (146), Range Thirty-three (33),*

*South Two Hundred (200) feet of North Three Hundred Thirty-two (332) feet of East Half of South Half of East Quarter of Southwest Quarter of Southeast Quarter (E 1/2 of S 1/2 of E 1/4 of SW 1/4 of SE 1/4), Section Five (5), Township One Hundred Forty-six (146), Range Thirty-three (33)."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "a conveyance" and insert "conveyances"

Page 1, line 4, before the period, insert "and Beltrami County"

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

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

S.F. No. 1961: A bill for an act relating to agriculture; providing for the licensing and regulation of certain grain buyers; providing a penalty; appro-

priating money; proposing new law coded in Minnesota Statutes, Chapter 223; repealing Minnesota Statutes 1980, Chapter 223, as amended; and Sections 232.01; 232.02, as amended; 232.04; and 232.06, Subdivision 5.

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

Page 2, line 19, delete "not"

Page 2, line 21, after "resale" insert ", excluding an itinerant grain buyer"

Page 2, line 31, delete "authorized" and insert "licensed by the commissioner"

Page 2, line 31, after the period, insert ""Private grain warehouse operator" includes any person licensed under the United States Warehouse Act, Title 7, Chapter 11."

Page 3, line 2, after "or" insert "purchase or"

Page 3, line 20, delete "or private"

Page 4, line 8, delete the first "the" and insert "with"

Page 4, line 9, delete "less" and insert "more"

Page 4, line 11, delete "\$20,000" and insert "\$10,000"

Page 4, line 13, delete "\$20,000" and insert "\$10,000"

Page 4, line 15, delete "\$10,000" and insert "\$5,000"

Page 4, line 17, delete "\$10,000" and insert "\$5,000"

Page 4, line 19, delete "\$100,000" and insert "\$50,000"

Page 4, after line 19, insert:

*"In lieu of the bond required by this subdivision the applicant may deposit with the state treasurer cash, a certified check, 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.*

*This subdivision is repealed effective July 1, 1983.*

*Subd. 5. [VOLUNTARY EXTENSION OF CREDIT.] Upon demand by a seller of grain, a grain buyer shall pay 90 percent of the estimated or actual value of grain purchased at the time the physical possession of the grain is conveyed from the seller to the grain buyer. The grain buyer shall complete final settlement as rapidly as possible through ordinary diligence. Any transaction wherein this demand is not exercised constitutes a voluntary extension of credit and is not afforded protection under the grain buyer's bond."*

Renumber the subdivisions in sequence

Page 5, line 1, delete "90" and insert "180"

Page 5, line 3, delete "commisssoner" and insert "commissioner"

Page 5, delete lines 9 to 15 and insert:

*"Subd. 8. [BOND DISBURSEMENT.] (a) The bond shall provide for*

*payment of loss caused by the grain buyer's failure to pay, upon the owner's demand, the purchase price of grain sold to the grain buyer. The bond shall be conditioned upon the grain buyer being duly licensed as provided herein. The bond shall not cover any transaction which constitutes a voluntary extension of credit."*

Page 5, line 27, delete "commisssoner" and insert "commissioner"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 1219: A bill for an act relating to the environment; requiring notice of intent to develop uranium; creating an advisory committee; requiring adoption of a state policy; appropriating money; imposing a penalty; proposing new law coded in Minnesota Statutes, Chapter 116C.

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

Delete everything after the enacting clause and insert:

#### "URANIUM DEVELOPMENT

##### Section 1. [116C.80] [POLICY; SHORT TITLE.]

*Subdivision 1. [POLICY.] The legislature finds that the development of uranium resources within this state may pose a potential threat to the air, water, and land of the state and the health, safety and welfare of present and future generations.*

*Therefore it is the policy of the state to regulate the development of uranium resources within the state. Accordingly, it is in the public interest to study the health, safety, environmental, and economic impacts of uranium development and to develop and adopt prior to the development of uranium resources within the state a state policy, laws and regulations for uranium development consistent with the state's paramount concern for the protection of its air, water, land, and other natural resources from pollution, impairment or destruction and the protection of the public health, safety, and welfare.*

*Subd. 2. [SHORT TITLE.] Sections 1 to 12 may be cited as the Uranium Policy, Regulation, and Development Act.*

##### Sec. 2. [116C.81] [DEFINITIONS.]

*Subdivision 1. [APPLICATION.] As used in sections 1 to 12, the terms defined in this section have the meanings given them.*

*Subd. 2. [BOARD.] "Board" means the environmental quality board.*

*Subd. 3. [COMMITTEE.] "Committee" means the uranium development advisory committee created pursuant to section 5.*

*Subd. 4. [URANIUM DEVELOPER.] "Uranium developer" means any person who engages or proposes to engage in the business of uranium development.*

*Subd. 5. [URANIUM DEVELOPMENT.] "Uranium development" means extraction or processing of ores and related activities for the purpose of producing merchantable uranium. Uranium development includes surface mining and underground mining, on-site transportation, concentrating or milling, obtaining a bulk sample of ore, producing and disposing of tailings, and other associated activities. Uranium development does not include exploratory boring regulated under chapter 156A.*

**Sec. 3. [116C.82] [GENERAL REQUIREMENTS.]**

*Uranium development may not begin in the state until all of the following have occurred:*

*(a) A uranium developer has filed a petition of intent to begin development, as provided in section 4;*

*(b) The uranium development advisory committee created pursuant to section 5, has completed the necessary survey of studies, and performed all other tasks as provided by sections 6 and 8;*

*(c) The legislature has adopted a state policy on uranium development and has performed all other duties as required by sections 7 and 9; and*

*(d) Appropriate state agencies have adopted all rules required by law pertaining to uranium development including those required pursuant to section 9.*

**Sec. 4. [116C.83] [PETITION OF INTENT.]**

*Subdivision 1. [FILING; CONTENT.] A uranium developer may not engage in uranium development or apply for any state permit needed for uranium development unless the developer files a petition of intent with the board. The petition shall be in the form required by the board and shall contain information as to the location and nature of the proposed development, any contemplated discharges of wastes, the potential effect of the development on natural resources and other information required by the board.*

*Subd. 2. [APPLICATION FEE.] The petition shall be accompanied by a fee of \$50,000, payable to the board. Fees shall be deposited in the general fund and are appropriated to the board for the survey, evaluation, and reports by the committee under sections 6 and 8, and for completion of the studies authorized under section 9.*

*Subd. 3. [NOTICE.] Within 30 days of receiving the petition of intent, the board shall notify all persons responsible for making appointments to the committee.*

**Sec. 5. [116C.84] [URANIUM DEVELOPMENT ADVISORY COMMITTEE.]**

*Subdivision 1. [APPOINTMENTS.] Within 60 days after the first petition of intent has been filed under section 4 the governor shall appoint nine citizens to a uranium development advisory committee. At least one of the citizens shall be a resident of the county in which development is to take place, as stated in the first petition of intent filed with the board and at least two shall be residents of other geographic areas of the state where uranium development may be proposed.*

*Subd. 2. [TERMS; COMPENSATION.] Membership terms, compensation,*

removal, and other provisions relating to the membership of the committee shall be as provided in section 15.059, except that the committee shall expire two years after it is appointed unless extended by the legislature.

*Subd. 3. [CONFLICT OF INTEREST.] No member of the committee shall have a direct or indirect financial interest in any uranium developer or in the proposed uranium development.*

*Subd. 4. [STAFF.] The committee may contract for the technical support and other assistance necessary to identify and evaluate necessary studies and to prepare its reports and recommendations. Agencies of state government shall cooperate with the committee when it requests their assistance in fulfilling its duties.*

**Sec. 6. [116C.85] [SURVEY TO IDENTIFY NECESSARY STUDIES AND COSTS; REPORT TO LEGISLATURE.]**

*Subdivision 1. [SURVEY.] The committee shall conduct a survey to identify all studies necessary to evaluate the health, safety, environmental, and economic impacts of uranium development in the state and shall estimate the cost of each study. In performing this survey, the committee shall consider the need to study subjects including:*

- (a) Potential effects on surface and ground water;*
- (b) Potential effects on occupational health and safety;*
- (c) Potential air emissions and effects on air quality;*
- (d) Potential needs for land reclamation;*
- (e) Potential effects of disposal of tailings on surface and ground water and on air quality;*
- (f) Potential long-term effects of radioactive tailings including effects of low-level radiation;*
- (g) Potential effects of uranium development on the economy of communities near proposed development sites and on the state economy;*
- (h) The costs to the state and to uranium developers of state regulation and monitoring of uranium development;*
- (i) The impact of proposed uranium development on the budgets and revenues of state and local government and the need for new tax policies including a policy to compensate the state for the removal of non-renewable natural resources; and*
- (j) Potential health risks and costs to present and future generations.*

*Subd. 2. [RELATION TO OTHER STUDIES.] The survey and the studies advised by the committee shall not duplicate studies conducted pursuant to Laws 1980, Chapter 535, Section 11, or conducted by any state or federal agency.*

*Subd. 3. [REPORT.] Within one year after the committee is appointed, the committee shall identify in a report to the legislature the studies which are necessary to evaluate the health, safety, environmental and economic effects of uranium development, and the estimated cost of each study.*

**Sec. 7. [116C.86] [LEGISLATIVE AUTHORIZATION OF STUDIES;**

**ASSESSMENT OF URANIUM DEVELOPERS.]**

*Within one year after receiving the report of the committee, the legislature shall authorize the studies which it deems necessary, select the agencies responsible for each study, and set deadlines for their completion. It is the intent of the legislature that uranium developers bear the costs of the studies authorized under this section.*

**Sec. 8. [116C.87] [EVALUATION OF STUDIES; RECOMMENDATIONS TO LEGISLATURE.]**

*Subdivision 1. [EVALUATION; RECOMMENDATIONS.] Upon completion of each study authorized by the legislature, the committee shall evaluate the impacts of uranium development as set forth in the study. On the basis of its evaluation of all of the studies, the committee shall report to the legislature whether state policies, laws and regulations can be adopted which will allow uranium development to proceed in a way that satisfies the paramount concern of the state for the protection of its air, water, land and other natural resources from pollution, impairment or destruction and the protection of the public health, safety and welfare. If it finds that uranium development can so proceed, the committee shall recommend the state policies, laws and regulations needed in relation to uranium development to protect the public health, safety and the environment and to address the impact of uranium development on state and local economic conditions and on the budget and revenues of state and local government. The recommendations shall be based on sound scientific, technical and professional findings and opinion as provided in the studies. The committee, with the aid of the board, shall identify the state agencies which should be directed to implement the policies, laws and regulations proposed in its recommendations.*

**Sec. 9. [116C.88] [STATE POLICY AND RULES.]**

*At the first regular annual legislative session after receiving the report and recommendations of the committee under section 8, the legislature shall formulate a state uranium development policy and shall direct the appropriate agencies to adopt any rules which it deems necessary as a condition for uranium development consistent with that policy. The studies authorized by the legislature and the report and recommendations made pursuant to this section shall be a part of the factual basis considered by the agencies directed to adopt rules under this section in their rulemaking process.*

**Sec. 10. [116C.89] [RESPONSIBILITY OF URANIUM DEVELOPERS.]**

*Subdivision 1. [OTHER STATUTES, RULES.] Nothing contained in sections 1 to 12 shall be construed as relieving uranium developers from the duty to comply with all other applicable statutes, rules, regulations, and ordinances.*

*Subd. 2. [RIGHT OF ENTRY.] The committee, the board, and any other state agency having any authority or duty under sections 1 to 12, or an employee or representative of the committee, board, or agency when authorized by the committee, board or agency, may enter the property identified in a petition of intent as the location of a proposed uranium development to make inspections and gather information necessary to carry out duties or authority under those sections.*

**Sec. 11. [116C.90] [LOCAL CONTROL.]**

*Nothing contained in sections 1 to 12 shall be construed as limiting the lawful authority of local units of government to prohibit uranium development within their boundaries, require permits from uranium developers, or impose reasonable requirements and fees upon uranium developers; consistent with sections 1 to 12, or other state laws and rules adopted thereunder.*

Sec. 12. [116C.91] [PENALTIES.]

*Subdivision 1. [CRIMINAL PENALTY.] Any person who engages in the business of uranium development in violation of the provisions of section 4, subdivision 1 is guilty of a gross misdemeanor.*

*Subd. 2. [CIVIL PENALTY.] Any person who engages in the business of uranium development in violation of the provisions of section 4, subdivision 1 is subject to civil penalty in an amount determined by the court not to exceed \$10,000 per day for each day of violation. The penalty may be recovered by an action by the attorney general in the name of the state in the district court for Ramsey County."*

Amend the title as follows:

Page 1, line 5, after "a" insert "civil and criminal"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 1022: A bill for an act relating to water; 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 106.041; and 106.631, Subdivision 2; repealing Minnesota Statutes 1980, Section 105.463.

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

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1980, Section 105.463, is amended to read:

105.463 [CONTRACTOR'S RESPONSIBILITY.]

It is unlawful for any agent, servant, or employee of another to ~~undertake work for which a permit is required pursuant to section 98.48, subdivision 9, this chapter, or section 106.021, construct, reconstruct, remove, 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 unless a copy of the permit authorizing such work is posted on or near the premises upon which such work is conducted the agent, servant or employee has (a) obtained a signed statement from the landowner that all permits required for the work have been obtained or that no permit is required, and (b) mailed a copy of the statement to the office of the department for the region in which the proposed work is located. The~~ Violation of this section constitutes a separate and independent offense from any other provided by sections 105.37 to 105.55.

*The commissioner of natural resources shall develop a suitable form to be*



*distributed to contractors' associations and county auditors for the purposes of this section, which shall include a listing of the activities for which a permit is required, a description of the penalties for violating this chapter, the mailing addresses and telephone numbers of the various regional offices of the department of natural resources, a statement that water inventory maps completed pursuant to section 105.391, subdivision 1, are on file with the auditors of the various counties, and spaces for a description of the work and the names, mailing addresses, and phone numbers of the person authorizing the work and the agent, servant, or employee proposing to undertake it."*

Page 3, delete section 3

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "eliminating a" and insert "clarifying the"

Page 1, line 7, after "Sections" insert "105.463;" and after "Subdivision 2" delete the semicolon and insert a period

Page 1, delete line 8

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

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

S.F. No. 1846: A bill for an act relating to metropolitan solid waste management; allowing the removal of the moratorium on development at certain sites; amending Minnesota Statutes 1981 Supplement, Section 473.803, Subdivision 1a.

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

Page 3, line 32, after "time" insert "with the approval of the county in which the site is located,"

Page 4, lines 12 to 19, delete the new language

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

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

S.F. No. 1915: A bill for an act relating to solid waste; directing a legislative study of solid waste utilization in the St. Cloud area; appropriating funds.

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

Page 1, line 8, delete "legislative commission on waste management" and insert "commissioner of energy, planning and development"

Page 1, line 13, delete "commission" and insert "commissioner"

Page 1, after line 17, insert:

*"No money may be spent by the commissioner under this section unless*

*one-half of the amount to be spent to conduct or contract for the study has been provided to the commissioner by gift from private persons interested in the study. The commissioner shall consult with those persons concerning the selection of any consultant under this section."*

Page 1, line 20, delete everything before the comma and insert "department of energy, planning and development \$25,000"

Page 1, line 22, after the period, insert "None of the money appropriated in this section shall be spent unless the legislative commission on waste management approves a work program of the department showing that the conditions prescribed in section 1 have been met and showing the scope of the proposed activities of the department in carrying out section 1."

Amend the title as follows:

Page 1, line 2, delete "legislative"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 1130: A bill for an act relating to real estate; directing the release of a certain state owned easement.

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

Page 1, delete section 1 and insert:

"Section 1. [CONVEYANCE OF LANDS; LYON COUNTY.]

*The commissioner of administration, by quitclaim deed, in a form approved by the attorney general, for a consideration of \$1, shall convey to Gentius L. and Alice G. Shriver the interest of the state in the following described property:*

*The North 7 acres of NW 1/4 of SE 1/4 adjacent to Government Lot 7 on the North of Section 31, Range 43, Township 109, in Lyon County."*

Page 1, after line 17, insert:

"Sec. 2. [QUITCLAIM DEED.]

*The commissioner of natural resources, in the name of the state, shall convey by quitclaim deed, in a form approved by the attorney general, without monetary consideration any interest which the state may have in Lot 38 of Clearwater Beach, Wright County, Minnesota, to David C. and Rosemary Carlson, Robert J. and Jan Bowman, and Linda F. Schwichtenberg."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 2 and 3 and insert "relating to state lands; authorizing the conveyance by the state of its interest in certain lands in Lyon County and Wright County."

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

adopted.

Mr. Humphrey from the Committee on Energy and Housing, to which was referred

S.F. No. 1894: A bill for an act relating to energy; transferring certain duties to the commissioner of the department of energy, planning and development; amending Minnesota Statutes 1980, Sections 16.86, Subdivisions 4 and 5; 116H.02, by adding a subdivision; 394.25, Subdivision 2; 462.357, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.088, Subdivision 1; 116H.095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.12, Subdivision 4; 116H.128; 116H.18; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; 116H.19, Subdivision 2.

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

Pages 1 and 2, delete sections 1 and 2

Page 6, delete section 10

Page 7, after line 19, insert:

“Sec. 9. Minnesota Statutes 1980, Section 116H.15, Subdivision 1, is amended to read:

Subdivision 1. Any person who violates ~~sections 116H.01 to 116H.15, any provision of this chapter or section 325F.20; or 325F.21, or any rule or regulation promulgated thereunder, or knowingly submits false information in any report required by sections 116H.01 to 116H.15, this chapter or section 325F.20; or 325F.21~~ shall be guilty of a misdemeanor. Each day of violation shall constitute a separate offense.

Sec. 10. Minnesota Statutes 1981 Supplement, Section 116H.15, Subdivision 2, is amended to read:

Subd. 2. The provisions of *this chapter and 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 commissioner, and the existence of an adequate remedy at law shall not be a defense to an action brought under this subdivision.

Sec. 11. Minnesota Statutes 1980, Section 116H.15, Subdivision 3, is amended to read:

Subd. 3. When the court finds that any person has violated ~~sections 116H.01 to 116H.15, any provision of this chapter or section 325F.20; or 325F.21, or any rule or regulation thereunder, has knowingly submitted false information in any report required by sections 116H.01 to 116H.15, this chapter or section 325F.20; or 325F.21, or has violated any court order issued under sections 116H.01 to 116H.15, this chapter or section 325F.20; or 325F.21,~~ the court may impose a civil penalty of not more than \$10,000 for each violation. These penalties shall be paid to the general fund in the state treasury.”

Page 7, line 34, delete “fuel” and insert “energy”

Page 8, delete lines 4 to 17 and insert:

“(c) ‘Energy index’ means a report designed to show the actual, and the weather-adjusted, increase or decrease in energy consumption from the current billing month or heating season to a previous billing month or heating season.”

Page 8, delete lines 28 to 31

Page 8, line 32, delete “HEATING FUEL” and insert “ENERGY”

Page 8, line 32 after “Every” insert “energy”

Page 8, line 33, delete “of heating fuels”

Page 8, line 34, delete “an automated or” and insert “a”

Page 8, line 35, delete everything after the comma

Page 8, line 36, delete everything before the comma and insert “at least annually”

Page 9, line 1, delete “a heating fuel” and insert “an energy”

Page 9, line 1, delete everything after the period

Page 9, delete lines 2 to 8

Page 9, line 9, delete everything before “Suppliers”

Page 9, line 9, after “firewood” insert “, fuel oil, propane,”

Renumber the subdivisions in sequence

Page 9, delete lines 12 to 36 and insert:

“Subdivision 3 is amended to read:

Subd. 3. Within each such district zoning ordinances or maps may also be adopted designating or limiting the location, height, bulk, number of stories, size of, and the specific uses for which dwellings, buildings, and structures may be erected or altered; the minimum and maximum size of yards, courts, or other open spaces; setback from existing roads and highways and roads and highways designated on an official map; protective measures necessary to protect the public interest including but not limited to controls relating to appearance, signs, lighting, hours of operation and other aesthetic performance characteristics including but not limited to noise, heat, glare, vibrations and smoke; the area required to provide for off street loading and parking facilities; heights of trees and structures near airports; and to avoid too great concentration or scattering of the population. All such provisions shall be uniform for each class of land or building throughout each district, but the provisions in one district may differ from those in other districts. No provision may prohibit earth sheltered construction as defined in section 116H.02, subdivision 3, *siting of 40 kilowatt or less wind energy conversion systems, as defined in section 116H.02, that complies comply with all other zoning ordinances promulgated pursuant to this section.*”

Page 10, lines 15 and 16, delete the new language

Page 10, line 20, after “3,” insert “*siting of 40 kilowatt or less wind energy conversion systems, as defined in section 116H.02,*”

Page 10, line 20; strike "complies" and insert "comply"

Page 11, after line 5, insert:

"Sec. 16. Minnesota Statutes 1980, Section 500.30, is amended to read:

500.30 [SOLAR OR WIND EASEMENTS.]

Subdivision 1. "Solar easement" means a right, whether or not stated in the form of a restriction, easement, covenant, or condition, in any deed, will, or other instrument executed by or on behalf of any owner of land or solar skyspace for the purpose of ensuring adequate exposure of a solar energy system as defined in section 116H.02, subdivision 11, to solar energy.

*Subd. 1a. "Wind easement" means a right, whether or not stated in the form of a restriction, easement, covenant, or condition, in any deed, will, or other instrument executed by or on behalf of any owner of land or air space for the purpose of ensuring adequate exposure of a wind power system to the winds.*

Subd. 2. Any property owner may grant a solar or wind easement in the same manner and with the same effect as a conveyance of an interest in real property. The easements shall be created in writing and shall be filed, duly recorded, and indexed in the office of the recorder of the county in which the easement is granted. No duly recorded solar easement shall be unenforceable on account of lack of privity of estate or privity of contract; such easements shall run with the land or lands benefited and burdened and shall constitute a perpetual easement, except that a solar an easement may terminate upon the conditions stated therein or pursuant to the provisions of section 500.20.

Subd. 3. Any deed, will, or other instrument that creates a solar or wind easement shall include, but the contents are not limited to:

(a) a description of the real property subject to the solar easement and a description of the real property benefiting from the solar or wind easement; and

(b) for solar easements, a description of the vertical and horizontal angles, expressed in degrees and measured from the site of the solar energy system, at which the solar easement extends over the real property subject to the solar easement, or any other description which defines the three dimensional space, or the place and times of day in which an obstruction to direct sunlight is prohibited or limited;

(c) a description of the vertical and horizontal angles, expressed in degrees, and distances from the site of the wind power system in which an obstruction to the winds is prohibited or limited;

(d) any terms or conditions under which the solar easement is granted or may be terminated;

(e) any provisions for compensation of the owner of the real property benefiting from the solar easement in the event of interference with the enjoyment of the solar easement, or compensation of the owner of the real property subject to the solar easement for maintaining the solar easement;

(f) any other provisions necessary or desirable to execute the instrument.

Subd. 4. A solar or wind easement may be enforced by injunction or proceedings in equity or other civil action.

Subd. 5. Any depreciation caused by any solar or wind easement which is imposed upon designated property, but not any appreciation caused by any solar easement which benefits designated property, shall be included in the valuation of the property for property tax purposes."

Page 11, line 8, delete "116H.19, Subdivision 2" and insert "Minnesota Statutes 1981 Supplement, Section 120.78, Subdivision 1"

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to energy; changing the duties of the commissioner of the department of energy, planning and development; expanding the scope of certain energy education programs; changing certain residential energy sales programs; providing for wind energy conversion systems in county and municipal zoning law; creating wind easements; amending Minnesota Statutes 1980, 116H.02, by adding a subdivision; 116H.15, Subdivisions 1 and 3; 394.25, Subdivision 3; 462.357, Subdivision 1; 500.30; Minnesota Statutes 1981 Supplement, Section 116H.07; 116H.088, Subdivision 1; 116H.095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.128; 116H.15, Subdivision 2; 116H.18; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; and Minnesota Statutes 1981 Supplement, Section 120.78, Subdivision 1."

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

Mr. Humphrey from the Committee on Energy and Housing, to which was referred

S.F. No. 1242: A bill for an act relating to state government; encouraging energy saving suggestions from employees.

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

Delete everything after the enacting clause and insert:

"Section 1. [16.715] [INCENTIVE PAY.]

*Subdivision 1. [APPLICATION.] Each department, agency, or unit of state government may apply to the board created in section 16.71 for the award of incentive pay to its employees. The department, agency, or unit must identify to the satisfaction of the board the expenditures and receipts attributable to that unit. The application shall be submitted prior to the beginning of a fiscal year and shall have been reviewed by the head of the department or agency within which a unit is located. Application shall be on a form specified by rules promulgated pursuant to section 16.71, subdivision 5. The application shall also include criteria developed by the unit to evaluate the effectiveness of the proposals of the unit.*

*The board shall select units to participate in the incentive pay program for the fiscal year from those proposals considered reasonable and practical that also include acceptable evaluation criteria.*

*Subd. 2. [QUALIFICATIONS.] To qualify for the award of incentive pay to*

its employees, a unit must demonstrate to the satisfaction of the board that it has operated during the fiscal year:

(a) At less cost than the immediately preceding fiscal year, and either with an increase in the level of services rendered or with no decrease in the level of services rendered; or

(b) At no greater cost than the immediately preceding fiscal year and with an increase in the level of services rendered.

Subd. 3. [EVALUATION.] The board shall satisfy itself that the claimed cost of operation is real and that it is not, in whole or in part, the result of:

(a) Chance;

(b) A lowering of the quality of the service rendered;

(c) Reduced pass-through or transfer expenditures;

(d) Receipts realized in excess of amounts budgeted;

(e) Nonrecurrence of expenditures which were single outlay, or one-time expenditures, in the preceding fiscal year;

(f) Failure to reward deserving employees through promotions, reclassification, award of merit salary increments, or salary increases authorized by salary range revisions;

(g) Postponement of normal purchases and/or repairs to a future fiscal year;

(h) Stockpiling inventories in the immediately preceding fiscal year so as to reduce requirements in the eligible fiscal year;

(i) Substitution of federal funds, other receipts, or nonstate funds for state appropriations;

(j) Unreasonable postponement of payments of accounts payable until the fiscal year immediately following the eligible fiscal year;

(k) Shifting of expenses to another unit of government; or

(l) Any other practice, event, or device which the board decides has caused a distortion which makes it falsely appear that a savings or increase in level of services has occurred.

The board shall consider reductions in expenditures made possible by the following:

(a) Reductions in overtime;

(b) Elimination of consultant fees;

(c) Less temporary help;

(d) Elimination of budgeted positions;

(e) Improved methods of communication;

(f) Improved systems and procedures;

(g) Better deployment and utilization of staff;

(h) Elimination of unnecessary travel;

(i) Elimination of unnecessary printing and mailing;

(j) *Elimination of unnecessary energy use and reduction of total energy costs;*

(k) *Elimination of unnecessary payments for advertising, memberships, dues, and subscriptions;*

(l) *Elimination of waste, duplication, and operations of doubtful value;*

(m) *Improved space utilization; and*

(n) *Any other items considered by the board as representing true savings.*

*Subd. 4. [AWARDS.] At the conclusion of the eligible fiscal year, the board shall compare the expenditures of that unit for the immediately preceding fiscal year and, after making any adjustments necessary to eliminate distortions, shall determine the amount, if any, that the unit has reduced its costs of operations or increased its level of services in the eligible fiscal year. Adjustments to eliminate distortions may include any legislative increases in employee compensation and inflationary increases in the cost of services, materials and supplies. If the board determines that a unit qualifies for an award, it shall award to the employees of that unit a sum not in excess of 25 percent of the amount determined to be the savings to the state for the level of services rendered. The amount awarded shall be divided and distributed in equal shares to the employees of the unit, except that employees who worked for that unit less than the full 12 months of the fiscal year shall receive only a pro rata share based on the fraction of the year worked for that unit. Money for incentive pay shall be drawn from the unit's principal department's ending balance for the eligible fiscal year.*

*Subd. 5. [ANNUAL REPORT.] The chairman of the board shall prepare and submit to the legislature a comprehensive annual status report on the board's activities, decisions, awards, and recommendations with respect to the employee incentive pay program."*

Delete the title and insert:

"A bill for an act relating to state employees; creating an incentive pay program; proposing new law coded in Minnesota Statutes, Chapter 16."

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

Mr. Humphrey from the Committee on Energy and Housing, to which was referred.

S.F. No. 1942: A bill for an act relating to housing; authorizing a housing interest reduction program for housing and redevelopment authorities; amending Minnesota Statutes 1980, Sections 462.421, Subdivision 14; 462.445, by adding subdivisions; and 462.545, Subdivision 1.

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

Page 2, lines 3 and 4, delete "or section 462.445, subdivision 9"

Page 2, line 6, delete everything after "462C"

Page 2, line 7, delete everything before the semicolon.

Page 3, after line 8, insert:



*"For the purposes of this subdivision an "assisted housing unit" is a housing unit which is rented or to be rented and which is a part of a rental housing development where the financing for the rental housing development is assisted with interest reduction assistance provided by the authority during the calendar year. If interest reduction assistance is provided for construction period interest for a rental housing development, the housing units in the housing development shall be considered assisted housing units for a period after occupancy of the housing units which is equal to the period which interest reduction assistance is provided to assist the construction financing of the rental housing development. In any calendar year when an authority provides interest reduction assistance for assisted housing units, (1) at least 20 percent of the total assisted housing units within the jurisdiction of the authority shall be held available for rental to families or individuals with an adjusted gross income which is equal to or less than 80 percent of the median family income, and (2) at least an additional 55 percent of the total assisted housing units within the jurisdiction of the authority shall be held available for rental to individuals or families with an annual adjusted gross income which is equal to or less than 66 times 100 percent of the monthly fair market rent for the unit established by the United States department of housing and urban development. At least 80 percent of the aggregate dollar amount of funds appropriated by an authority within any calendar year to provide interest reduction assistance for financing of construction; rehabilitation or purchase of single-family housing, as that term is defined in section 462C.02, subdivision 4, when the financing is provided pursuant to chapter 462C, shall be appropriated for housing units which are to be sold or occupied by families or individuals with an adjusted gross income which is equal to or less than 110 percent of median family income. At least 80 percent of the aggregate dollar amount of funds appropriated by an authority within any calendar year to provide interest reduction assistance for financing of construction, rehabilitation or purchase of single family housing as that term is defined in section 462C.02, when the financing is not provided pursuant to chapter 462C, shall be appropriated for housing units which are to be sold or occupied by families or individuals with an adjusted gross income which is equal to or less than 110 percent of median family income. For the purposes of this subdivision, "median family income" means the median family income established by the United States department of housing and urban development for the non-metropolitan county or the standard metropolitan statistical area, as the case may be. The adjusted gross income may be adjusted by the authority for family size."*

Page 4, after line 1, insert:

*"Sec. 5. [EXPIRATION.]*

*The authority to authorize payment of interest reduction assistance pursuant to sections 2 and 3 shall expire on January 1, 1986. Interest reduction assistance payments authorized prior to January 1, 1986 may be paid after January 1, 1986."*

Renumber the sections in sequence.

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

Mr. Humphrey from the Committee on Energy and Housing, to which was referred

S.F. No. 2000: A bill for an act relating to the city of Brooklyn Center, authorizing the Brooklyn Center housing and redevelopment authority to carry out a housing interest buy-down program.

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

Page 3, after line 1, insert:

*"At least 80 percent of the aggregate dollar amount of funds appropriated by an authority within any calendar year to provide interest reduction assistance for financing of construction, rehabilitation or purchase of single family housing, as that term is defined in section 462C.02, subdivision 4, when the financing is provided pursuant to chapter 462C, shall be appropriated for housing units which are to be sold or occupied by families or individuals with an adjusted gross income which is equal to or less than 110 percent of median family income. At least 80 percent of the aggregate dollar amount of funds appropriated by an authority within any calendar year to provide interest reduction assistance for financing of construction, rehabilitation or purchase of single family housing as that term is defined in section 462C.02, when the financing is not provided pursuant to chapter 462C, shall be appropriated for housing units which are to be sold or occupied by families or individuals with an adjusted gross income which is equal to or less than 110 percent of median family income. For the purposes of this subdivision, "median family income" means the median family income established by the United States department of housing and urban development for the non-metropolitan county or the standard metropolitan statistical area, as the case may be. The adjusted gross income may be adjusted by the authority for family size.*

#### Sec. 4. [EXPIRATION.]

*The authority to authorize payment of interest reduction assistance pursuant to sections 1 to 3 shall expire on January 1, 1986. Interest reduction assistance payments authorized prior to January 1, 1986, may be paid after January 1, 1986."*

Renumber the sections in sequence

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

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

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.

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

follows:

Page 2, line 21, after "as" insert "otherwise"

Page 3, delete lines 2 to 23 and insert:

*"Subd. 7. The managers of a district wholly within the metropolitan area shall number not less than five nor more than nine. They shall be selected from a list of persons nominated jointly or severally by statutory and home rule charter cities and towns having territory within the district. The list shall contain at least three nominees for each position to be filled. If the cities and towns fail to nominate in accordance with this subdivision, the managers shall be selected as provided in subdivision 1."*

Pages 3 to 20, delete sections 4 to 20 and insert:

"Sec. 4. Minnesota Statutes 1980, Section 112.42, Subdivision 3, is amended to read:

Subd. 3. At least 30 days prior to the expiration of the term of office of the first managers named by the board, the county commissioners of each county affected shall meet and proceed to appoint successors to the first managers. ~~Provided, however,~~ If the nominating petition that initiated the district ~~shall be~~ originated from a majority of the cities within the district ~~or if the district is wholly within the metropolitan area,~~ the county commissioners shall appoint the managers from a list of ~~nominees submitted~~ *persons nominated jointly or severally* by the townships and municipalities within the district. ~~Said~~ The list shall contain at least three nominees for each position to be filled. It shall be submitted to the affected county board at least 60 days prior to the expiration of the term of office. If ~~such~~ the list is not submitted within 60 days prior to the expiration of the term of office the county commissioners shall select the managers from eligible individuals within the district. ~~Said~~ The county commissioners shall at least 30 days before the expiration of the term of office of any managers meet and appoint the successors. If the district affects more than one county, distribution of the managers among the counties affected shall be as directed by the board. Ten years after the order of establishment, upon petition of the county board of commissioners of any county affected by the district, the board after public hearing thereon, may redistribute the managers among the counties if ~~such~~ redistribution is in accordance with the policy and purposes of this chapter. No petition for the redistribution of managers shall be filed with the board more often than once in ten years. The term of office of each manager, if the number does not exceed three, shall be one for a term of one year, one for a term of two years, and one for a term of three years. If the managers consist of five members, one shall be for a term of one year, two for a term of two years, and two for a term of three years. *If the board of managers consists of more than five members, the managers shall be appointed so that as nearly as possible one-third serve terms of one year, one-third serve terms of two years, and one-third serve terms of three years.* If the district affects more than one county, the board shall direct the distribution of the one, two and three year terms among the affected counties. Thereafter, the term of office for each manager shall be for a term of three years, and until his successor is appointed and qualified. If the district affects more than five counties, in order to provide for the orderly distribution of the managers, the board may determine and identify the manager areas within the territory of the district and select the appointing county board of commissioners for each manager's area. Any va-

cancy occurring in an office of a manager shall be filled by the appointing county board of commissioners. A record of all appointments made under this subdivision shall be filed with the county auditor of each county affected, with the secretary of the board of managers, and with the secretary of the water resources board. No person shall be appointed as a manager who is not a voting resident of the district and none shall be a public officer of the county, state, or federal government.

Sec. 5. Minnesota Statutes 1980, Section 112.42, is amended by adding a subdivision to read:

*Subd. 3a. The board shall restructure the boards of managers of districts established before the effective date of this act and located wholly within the metropolitan area to ensure compliance with the requirements of sections 3 and 4. The board shall request recommendations from the district and the affected local government units. Additional managers, if any, shall be appointed by the county designated by the board, to terms designated by the board, at the time of and in the manner provided for the next regular appointment of successors to managers of the district.*

Sec. 6. Minnesota Statutes 1980, Section 112.43, is amended by adding a subdivision to read:

*Subd. 1a. A watershed district located wholly within the metropolitan area shall have the duties and authorities as provided in sections 7 to 14. Notwithstanding any contrary provision of subdivision 1, a watershed district located wholly within the metropolitan area shall have authority to regulate the use and development of land only under the conditions specified in section 9, clause (c).*

Sec. 7. [473.875] [PURPOSES.]

*The purpose of the surface water management programs required by sections 7 to 14 is to preserve and use natural water storage and retention systems in order to (a) reduce to the greatest practical extent the public capital expenditures necessary to control excessive volumes and rates of runoff, (b) improve water quality, (c) prevent flooding and erosion from surface flows, (d) promote ground water recharge, (e) protect and enhance fish and wildlife habitat and water recreational facilities, and (f) secure the other benefits associated with the proper management of surface water.*

Sec. 8. [473.876] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] For the purposes of sections 7 to 14, the following terms have the meanings given them.*

*Subd. 2. [CAPITAL IMPROVEMENT PROGRAM.] "Capital improvement program" means an itemized program for at least a five year prospective period, and any amendments to it, subject to at least biennial review, setting forth the schedule, timing, and details of specific contemplated capital improvements by year, together with their estimated cost, the need for each improvement, financial sources, and the financial effect that the improvements will have on the local government unit or watershed management organization.*

*Subd. 3. [LOCAL COMPREHENSIVE PLAN.] "Local comprehensive plan" has the meaning given it in section 473.852, subdivision 5.*

*Subd. 4. [LOCAL GOVERNMENT UNIT.] "Local government unit" or "local unit" has the meaning given it in section 473.852.*

*Subd. 5. [OFFICIAL CONTROLS.] "Official controls" has the meaning given it in section 473.852.*

*Subd. 6. [WATERSHED.] "Watershed" means a natural drainage area which crosses the borders of two or more local government units and which has boundaries substantially coterminous with secondary or tertiary watersheds recognized by the state water planning board, except that boundaries shall not cross a primary river.*

*Subd. 7. [WATERSHED DISTRICT.] "Watershed district" means a district established under chapter 112.*

*Subd. 8. [WATERSHED MANAGEMENT ORGANIZATION.] "Watershed management organization" or "organization" means a watershed district wholly within the metropolitan area or an entity established under special law or a joint powers agreement wholly within the metropolitan area which performs some or all of the functions of a watershed district for a watershed and which has the characteristics and the authority specified under section 9.*

**Sec. 9. [473.877] [WATERSHED MANAGEMENT ORGANIZATION; AUTHORITY.]**

*Any agreement under section 471.59 to jointly or cooperatively manage or plan for the management of surface water in a watershed wholly within the metropolitan area may provide for a joint board having:*

*(a) the authority to prepare and adopt a plan meeting the requirements of section 10;*

*(b) the authority to review and approve local water management plans as provided in section 11;*

*(c) the authority of a watershed district under chapter 112 to regulate the use and development of land when one or more of the following conditions exists: (1) the local government unit exercising planning and zoning authority over the land under sections 366.10 to 366.19, 394.21 to 394.37, or 462.351 to 462.364, does not have a local water management plan approved and adopted in accordance with the requirements of section 11 or has not adopted the implementation program described in the plan; (2) an application to the local government unit for a permit for the use and development of land requires an amendment to or variance from the adopted local water management plan or implementation program of the local unit; (3) the local government unit has authorized the organization to require permits for the use and development of land.*

*(d) other powers necessary to exercise the authority under clauses (a) to (c), including the power to enter into contracts for the performance of functions with governmental units or persons.*

**Sec. 10. [473.878] [WATERSHED PLANS.]**

*Subdivision 1. [REQUIREMENT.] A watershed management plan shall be prepared and adopted for each watershed wholly within the metropolitan area in accordance with the requirements of this section.*

*Subd. 2. [RESPONSIBLE UNITS.] Where a watershed management or-*

ganization exists, the plan for the watershed shall be prepared and adopted by the organization. If a watershed management organization is not established by December 31, 1983, for any watershed located wholly outside of Hennepin and Ramsey counties, the county or counties containing the watershed shall prepare and adopt the watershed plan and shall have the planning, review, and permitting authority of a watershed management organization specified in section 9. If a watershed management organization is not established by December 31, 1983, for any watershed wholly or partly within Hennepin or Ramsey counties, the county or counties containing the watershed shall petition for the establishment of a watershed district under chapter 112, provided, however, that a district established pursuant to such a petition shall not have authority to plan or construct storm sewer separation projects without the agreement of all local government units having territory within the district. A watershed management organization may request a county to prepare all or part of a plan. A county may delegate the preparation of all or part of a plan to the county soil and water conservation district. Upon request of a statutory or home rule charter city or town, a county may delegate the preparation of all or part of a plan to the city or town.

*Subd. 3. [GENERAL STANDARDS.] The watershed management plan shall extend through the year 1990 or any year thereafter which is evenly divisible by five. The plan shall contain the elements required by subdivision 4. Each element shall be set out in the degree of detail and prescription necessary to accomplish the purposes of sections 7 to 14, considering the character of existing and anticipated physical and hydrogeologic conditions, land use, and development and the severity of existing and anticipated water management problems in the watershed. The plan shall be prepared and submitted for review under subdivision 5 by December 31, 1985. Existing plans of a watershed management organization shall remain in force and effect until amended or superseded by plans adopted under sections 7 to 14. Existing or amended plans of a watershed management organization which meet the requirements of sections 7 to 14 may be submitted for review under subdivision 5.*

*Subd. 4. [CONTENTS.] The plan shall:*

*(a) Describe the existing physical environment, land use, and development in the area and the environment, land use, and development proposed in existing local and metropolitan comprehensive plans;*

*(b) Present information on the hydrologic system and its components and existing and potential problems related thereto;*

*(c) State objectives and policies, including management principles, alternatives and modifications, water quality, and protection of natural characteristics;*

*(d) Set forth a management plan, including the hydrologic and water quality conditions that will be sought and significant opportunities for improvement;*

*(e) Describe conflicts between the watershed plan and existing plans of local government units;*

*(f) Set forth an implementation program consistent with the management plan, which includes a capital improvement program and standards and schedules for amending the comprehensive plans and official controls of local government units in the watershed to bring about conformance with the water-*

shed plan;

(g) Set out a procedure for amending the plan.

*Subd. 5. [REVIEW.] Upon completion of the plan but before final adoption by the organization, the organization shall submit the plan for review and comment to all counties, soil and water conservation districts, towns, and statutory and home rule charter cities having territory within the watershed. Any local government unit which expects that substantial amendment of its local comprehensive plan will be necessary in order to bring local water management into conformance with the watershed plan shall describe as specifically as possible, within its comments, the amendments to the local plan which it expects will be necessary. Sixty days after the submission to local government units for comment, the organization shall submit the plan, any comments received, and any appropriate amendments to the plan, to the board of the county or counties having territory within the watershed. The county shall approve or disapprove projects in the capital improvement program which may require the provision of county funds pursuant to section 112.60, subdivision 2, or section 14. The county shall have 60 days to complete its review of the capital improvement program. If the county fails to complete its review within the prescribed period, unless an extension is agreed to by the organization the program shall be deemed approved. If the watershed extends into more than one county and one or more counties disapprove of all or part of a capital improvement program while the other county or counties approve, the program shall be submitted to the water resources board for review pursuant to subdivision 7.*

*Subd. 6. [REVIEW BY METROPOLITAN COUNCIL.] After completion of the review under subdivision 5, the plan shall be submitted to the metropolitan council for review. Notwithstanding any provision to the contrary in sections 112.46 and 473.165, the council shall review the plan in the same manner and with the same authority and effect as provided for the council's review of the comprehensive plans of local government units under section 473.175. The council shall comment on the apparent conformity with metropolitan system plans of any anticipated amendments to local comprehensive plans.*

*Subd. 7. [REVIEW BY STATE AGENCIES.] After completion of the review under subdivision 6, the plan shall be submitted to the commissioner of natural resources and the pollution control agency for review and comment on the consistency of the plan with state laws and rules relating to water and related land resources and to the water resources board for review under section 112.46. Except as otherwise provided in this subdivision, the water resources board shall review the plan as provided in section 112.46. The board shall review the plan for conformance with the requirements of chapter 112 and sections 7 to 14. If the capital improvement program is the subject of a dispute between counties, the water resources board shall make a final decision on the issue. The decision shall be binding on the organization and the counties involved.*

*Subd. 8. [ADOPTION; IMPLEMENTATION.] The organization shall adopt and implement its plan within 120 days after compliance with the provisions of subdivision 7 and approval of the plan by the water resources board.*

*Subd. 9. [AMENDMENTS.] To the extent and in the manner required by*

*the adopted plan, all amendments to the adopted plan shall be submitted to the towns, cities, county, and other agencies for review in accordance with the provisions of subdivisions 5 and 6.*

**Sec. 11. [473.879] [LOCAL WATER MANAGEMENT PLANS.]**

*Subdivision 1. [REQUIREMENT.] After the watershed plan is approved and adopted, or amended, pursuant to section 10, each home rule charter city, statutory city, or town having territory within the watershed shall prepare or cause to be prepared a local water management plan, capital improvement program, and official controls as necessary to bring local water management into conformance with the watershed plan within the time period prescribed in the implementation program of the watershed plan and, as necessary, shall prepare or cause to be prepared amendments to the local comprehensive plan. The county shall carry out the duties provided in this section for any town that does not have authority to adopt a comprehensive plan under chapter 462.*

*Subd. 2. [STANDARDS; CONTENTS.] Each local plan, in the degree of detail required in the watershed plan, shall:*

- (a) Describe existing and proposed physical environment and land use;*
- (b) Define drainage areas and the volumes, rates, and paths of stormwater runoff;*
- (c) Identify areas and elevations for stormwater storage adequate to meet performance standards established in the watershed plan;*
- (d) Define water quality and water quality protection methods adequate to performance standards established in the watershed plan;*
- (e) Identify regulated areas; and*
- (f) Set forth an implementation program, including a description of official controls and, as appropriate, a capital improvement program.*

*Subd. 3. [REVIEW.] After consideration but before adoption by the governing body, each local unit shall submit its water management plan to the watershed management organization for review for consistency with the watershed plan adopted pursuant to section 10. The organization shall approve or disapprove the local plan or parts thereof. The organization shall have 60 days to complete its review. If the organization fails to complete its review within the prescribed period, unless an extension is agreed to by the local unit the local plan shall be deemed approved. If no watershed management organization exists for the watershed, the local unit shall submit the plan to the county and the county shall have the same duty and authority as a watershed management organization under this subdivision with respect to the plan.*

*Subd. 4. [ADOPTION; IMPLEMENTATION.] After approval of the local plan by the organization, the local government unit shall adopt and implement its plan within 120 days and shall amend its official controls accordingly within 180 days.*

*Subd. 5. [AMENDMENTS.] To the extent and in the manner required by the organization, all amendments to local water management plans shall be submitted to the organization for review and approval in accordance with the provisions of subdivision 3 for the review of plans.*

**Sec. 12. [473.880] [EXEMPTION FROM LEVY LIMIT.]**



*Any levy to pay the increased costs to a local government unit or watershed management organization of implementing sections 10 and 11 or to pay costs of improvements and maintenance of improvements identified in an approved and adopted plan shall be in addition to any other taxes authorized by law and shall be disregarded in the calculation of limits on taxes imposed by chapter 275. Notwithstanding any provision to the contrary in chapter 112, a watershed district may levy a tax sufficient to pay the increased costs to the district of implementing sections 10 and 11. The proceeds of any tax levied under this section shall be deposited in a separate fund and expended only for the purposes authorized by this section.*

Sec. 13. [473.881] [SPECIAL TAX DISTRICT.]

*Subdivision 1. [WATERSHED MANAGEMENT TAX DISTRICT.] Any local government unit planning for water management under sections 10 and 11 may establish a watershed management tax district in the territory within the watershed, for the purpose of paying the costs of the planning required under sections 10 and 11. Any local government unit which has part of its territory within a watershed for which a plan has been adopted in accordance with section 10 and which has a local water management plan adopted in accordance with section 11 may establish a watershed management tax district in the territory within the watershed, for the purpose of paying capital costs of the water management facilities described in the capital improvement program of the plans and for the purpose of paying for normal and routine maintenance of the facilities.*

*Subd. 2. [PROCEDURE.] The district shall be established by ordinance adopted after a hearing. Notice of the time, place, and purpose of the hearing shall be published for two successive weeks in the official newspaper of the local government unit, ending at least seven days before the day of the hearing. The ordinance shall describe with particularity the territory or area to be included in the district. After adoption, the ordinance shall be filed with the county auditor and county recorder. The district may be dissolved by following the procedures prescribed for the establishment of the district.*

*Subd. 3. [TAX.] After adoption of the ordinance under subdivision 2, a local government unit may annually levy a tax on all taxable property in the district for the purposes for which the tax district is established. The proceeds of the tax shall be paid into a fund reserved for these purposes. Any proceeds remaining in the reserve fund at the time the tax is terminated or the district is dissolved shall be transferred and irrevocably pledged to the debt service fund of the local government unit to be used solely to reduce tax levies for bonded indebtedness of taxable property in the district. A tax levied in accordance with this subdivision for paying capital costs is a levy for the payment of principal and interest on bonded indebtedness within the meaning of Minnesota Statutes, Section 275.50, Subdivision 5, Clause (e).*

*Subd. 4. [BONDS.] After adoption of the ordinance under subdivision 2, and after a contract for the construction of all or part of an improvement has been entered into or the work has been ordered done by day labor, local government unit may issue obligations in the amount it deems necessary to pay in whole or in part the capital cost incurred and estimated to be incurred in making the improvement. The obligations shall be payable out of the proceeds of the tax levied pursuant to subdivision 3. The local unit may by resolution of*

*its governing body adopted prior to the sale of obligations pledge the full faith, credit and taxing power of the local unit to assure payment of the principal and interest in the event the proceeds of the tax levy in the district are insufficient to pay principal and interest. The amount of any taxes which are required to be levied outside of the territory of the tax district or taken from the general funds of the local unit to pay principal and interest on the obligations shall be reimbursed to the local unit from taxes levied within the territory of the tax district. Obligations shall be issued in accordance with chapter 475, except that an election is not required and the amount of any obligations shall not be included in determining the net indebtedness of the local unit under the provisions of any law or charter limiting indebtedness.*

**Sec. 14. [473.882] [WATERSHED MANAGEMENT ORGANIZATION; CAPITAL IMPROVEMENTS; PAYMENT BY COUNTY.]**

*Subdivision 1. [GENERAL AUTHORITY.] The authority provided to watershed districts in this section is in addition to the authority provided in chapter 112. A watershed management organization which has adopted a watershed plan in accordance with section 10 may certify for payment by the county as provided in this section all or any part of the cost of a capital improvement contained in the capital improvement program of the plan.*

*Subd. 2. [PROCEDURE.] A copy of the plan for the improvement shall be forwarded to the county board. The organization shall then hold a public hearing on the proposed improvement, following publication once each week for two successive weeks before the date of the hearing in a legal newspaper published in the county or counties in which a part or all of the affected waters and lands are located. The last publication shall occur not more than 30 days nor less than ten days before the hearing. The notice shall state the time and place of hearing, the general nature of the proposed improvement, the estimated cost, and the method by which the cost of the improvement is to be paid, including the cost to be allocated to each county under subdivision 3. Not less than ten days before the hearing, notice by mail shall be given to the counties and to each home rule charter or statutory city or town located wholly or partly within the territory of the watershed management organization. Failure to give mailed notice or defects in the notice shall not invalidate the proceedings. At the time and place specified in the notice the organization shall hear all parties interested in the proposed improvement. If upon full hearing the organization finds that the improvement will be conducive to public health and promote the general welfare, and is in compliance with sections 7 to 14 and the plan adopted pursuant to section 10, it shall make findings accordingly, determine the cost of the improvement, and certify the cost to the county or counties for payment.*

*Subd. 3. [APPORTIONMENT OF COSTS.] If the territory of the watershed management organization extends into more than one county, the cost of the improvement shall be certified to the county boards in an amount bearing the same proportion to the cost of the improvement as the assessed value of all taxable property in the part of the territory of the organization located within each county bears to the assessed value of all taxable property in the territory of the organization.*

*Subd. 4. [COUNTY PAYMENT.] Each county receiving a certification for payment from a watershed management organization pursuant to this section*

shall provide funds to meet its proportionate share of the cost of the improvement as shown in the certification by the organization.

*Subd. 5. [BONDS.] In order to make the payment required by subdivision 4, the county board of each county may issue general obligation bonds of the county in the amount necessary to pay all or part of the cost of improvements certified to the county board or to refund general obligation bonds issued for this purpose. The bonds shall be sold, issued, and secured in accordance with the provisions of chapter 475 for general obligation bonds, except as otherwise provided in this subdivision. No election shall be required.*

*Subd. 6. [TAX.] For the payment of principal and interest on the bonds issued under subdivision 5 and the payment required under subdivision 4, the county shall irrevocably pledge and appropriate the proceeds of an ad valorem tax levied on all taxable property located within the territory of the watershed management organization for which the bonds are issued. Each year until the reserve for payment of the bonds is sufficient to retire the bonds, the county shall levy on all taxable property in the territory of the organization, without respect to any statutory or other limitation on taxes, an amount of taxes sufficient to pay principal and interest on the bonds and to restore any deficiencies in reserves required to be maintained for payment of the bonds. If at any time the amounts available from the levy on property in the territory of the organization are insufficient to pay principal and interest on the bonds when due, the county shall make payment from any available funds in the county treasury. The amount of any taxes which are required to be levied outside of the territory of the watershed management organization or taken from the general funds of the county to pay principal or interest on the bonds shall be reimbursed to the county from taxes levied within the territory of the watershed management organization.*

*Subd. 7. [MAINTENANCE LEVY.] For the purpose of creating a maintenance fund to be used for normal and routine maintenance of a work of improvement constructed in whole or part with money provided by the county pursuant to subdivision 4, the board of managers of a watershed district, with the approval of the county, may impose an ad valorem levy on all property located within the territory of the watershed district. The levy shall be certified, levied, collected, and distributed as provided in section 112.611, and shall be in addition to any other moneys levied and distributed to the district thereunder. The proceeds of the levy shall be deposited in a separate maintenance and repair account to be used only for the purpose for which the levy was made.*

#### Sec. 15. [APPLICATION.]

*Sections 7 to 14 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."*

Amend the title as follows:

Page 1, delete line 6

Page 1, line 7, delete "board;"

Page 1, line 8, delete "establishing a"

Page 1, delete line 9

Page 1, line 10, delete "county and metropolitan debt" and insert "counties, cities, and towns to bond for certain watershed improvements"

Page 1, line 14, delete "subdivisions" and insert "a subdivision"

Page 1, line 15, delete "112.46;"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S.F. No. 1502: A bill for an act relating to education; extending the period for transferring money from operating to nonoperating funds; amending Minnesota Statutes 1980, Section 121.912, Subdivisions 2 and 3.

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 1981 Supplement, Section 124.2122, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 5, is amended to read:

Subdivision 1. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be \$1,333 for foundation aid for the 1981-1982 school year. The formula allowance shall be \$1,346 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year. *The formula allowance shall be \$1,416 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 6, is amended to read:

Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. The basic maintenance mill rate shall be .021 for the 1980 payable 1981 levy and for foundation aid for the 1981-1982 school year. The basic maintenance mill rate shall be .024 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year. *The basic maintenance mill rate shall be .024 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 124.2124, is amended by adding a subdivision to read:

*Subd. 4. [RECOMPUTED REPLACEMENT ALLOWANCE.] 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.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.2125, Subdivision 2, is amended to read:

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 not exceed .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).

Sec. 5. Minnesota Statutes 1981 Supplement, Section 124.2126, Subdivision 3, is amended to read:

Subd. 3. [MINIMUM AID.] A qualifying district's minimum aid for each school year shall equal its minimum guarantee for that school year, minus the sum of:

(1) The amount of the district's state school agricultural tax credit aid for that school year;

(2) The amount by which property taxes of the district for use in that school year are reduced by the homestead credit provisions in section 273.13, subdivisions 6, 7, and 14a;

(3) The amount by which property taxes of the district for use in that school year are reduced by the taconite homestead credit provisions in section 273.135; 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;

(5) The amount by which property taxes of the district for use in that school year are reduced by the state paid wetlands credit provisions in section 273.115;

(6) The amount by which property taxes of the district for use in that school

year are reduced by the state paid native prairie credit provisions in section 273.116; and

(7) *The amount by which property taxes of the district for use in that school year are reduced by the credit for reduced assessment provisions in section 273.139.*

Sec. 6. Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 2d, is amended to read:

Subd. 2d. [REFERENDUM LEVY.] (1) The levy authorized by 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 valuation shall be authorized for certification for the number of years approved, if applicable, or until revoked *or reduced* by the voters of the district at a subsequent referendum.

(2) A referendum on the question of revoking *or reducing* the increased levy amount authorized pursuant to clause (1) of this 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. A levy approved by the voters of the district pursuant to clause (1) of this subdivision must be made at least once before it is subject to a referendum on its revocation *or reduction* for subsequent years. Only one such revocation *or reduction* election may be held to revoke *or reduce* a levy for any specific year and for years thereafter.

(3) A petition authorized by ~~clauses clause (1) or (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.

(4) *A petition authorized by clause (2) shall be effective if signed by a number of qualified voters in excess of five percent of the residents of the school district as determined by the most recent census. A revocation or reduction referendum invoked by petition shall be held within three months of submission of the petition to the school board.*

~~(4)~~ (5) 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.

~~(5)~~ (6) 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. 7. Minnesota Statutes 1980, Section 275.125, is amended by adding a

subdivision to read:

*Subd. 6d. [SPECIAL GRANDFATHER LEVY.] (1) For purposes of this subdivision, the term "grandfather allowance" shall have the meaning given it in section 124.2123.*

*(2) In 1982, any district which has a grandfather allowance that is less than either the weighted average grandfather allowance per pupil unit for all school districts in the state, or the weighted average grandfather allowance per pupil unit for school districts in the same ECSU region, as defined pursuant to section 123.58, subdivision 2; may make an additional levy for school maintenance purposes as provided in clause (3). The weighted averages shall be based on the levy and pupil units in the districts which qualified for an excess levy in 1981 pursuant to subdivision 6b.*

*(3) The additional levy in 1982 shall not exceed an amount equal to*

*(a) the difference between*

*(i) the greater of (A) the average grandfather allowance per actual pupil unit for districts in the same development region which qualified in 1981 for an excess levy pursuant to subdivision 6b, weighted by the number of actual pupil units in those districts in the 1981-1982 school year, or (B) the statewide average grandfather allowance per actual pupil unit for districts which qualified in 1981 for an excess levy pursuant to subdivision 6b, weighted by the number of actual pupil units in those districts in the 1981-1982 school year; and*

*(ii) the grandfather allowance of the district; times*

*(b) the number of actual pupil units in the district in the 1981-82 school year.*

*(4) In 1983 and each year thereafter, a district which qualified under clause (2) to make an additional levy may levy an amount equal to the greater of*

*(a) the amount levied pursuant to this subdivision in 1982; or*

*(b) the amount in clause (3)(a) times the number of actual pupil units in the district in the school year preceding the year in which the levy is certified.*

Sec. 8. Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 7a, is amended to read:

*Subd. 7a. [DISCRETIONARY LEVY.] (1) For purposes of this subdivision, the terms "discretionary allowance" and "discretionary mill rate" shall have the meanings given them in section 124.2125.*

*(2) In 1981 and each year thereafter, a district which levies the maximum permissible amount pursuant to subdivision 2a and subdivision 6b may levy an additional amount which shall not exceed the lesser of (a) an amount equal to the discretionary mill rate times the district's adjusted assessed valuation for the preceding year or (b) the product obtained by multiplying the applicable discretionary allowance times the actual and AFDC pupil units 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 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 or increase. At least three weeks published notice of the hearing in 10 point type or 5.0 agate type, 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.

(c) At the hearing, the district shall present its proposed revenue and expenditure budgets for the next two school years, 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 subdivision 7c. At the hearing, 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 30 days after the hearing, the board shall call a referendum on the proposed levy or increase. 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 *excess of three percent of the residents of the school district as determined by the most recent census.*

(d) The referendum shall be held on a date set by the school board, but no later than the September 20 before the levy is certified.

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 largest number of EARC mills the district was previously levied by the district authorized to levy pursuant to this subdivision, applied to the preceding year's adjusted assessed valuation.

#### Sec. 9. [LEVY ADJUSTMENTS.]

*In 1982, the maximum levy limitation under Minnesota Statutes, Section 275.125, Subdivision 2a or 2e, as applicable, shall be reduced by any difference between the amount of the basic maintenance levy certified by the district in 1981 and the amount of the 1981 basic maintenance levy limitation which would have been computed for the district using a formula allowance for the 1982-1983 school year of \$1,346.*

*The 1982 payable 1983 levy limitation of districts affected by section 3 shall be recomputed as if section 3 had been in effect at the time the levy was originally certified.*

#### Sec. 10. [BASIC MAINTENANCE UNDERLEVIES.]

*In fiscal year 1983, the deduction from basic foundation aid pursuant to Minnesota Statutes 1981 Supplement, Section 124.2128, Subdivision 1, shall be computed as though the basic maintenance mill rate for tax levies attributable to that school year were .023, and without regard to whether a district levied an additional amount for basic maintenance as authorized by Laws 1981, Third Special Session Chapter 2, Article II, Section 12.*

#### Sec. 11. [EFFECTIVE DATE.]

*Sections 3 and 9 shall be effective for the 1983-1984 school year. Sections 6 and 8 are effective the day following final enactment.*

### ARTICLE II

#### TRANSPORTATION

Section 1. Minnesota Statutes 1981 Supplement, 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.] (a) Through the 1981-1982 school year, 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 nonpublic school actually attended, but only to the extent permitted by sections 123.76 to 123.79 with respect to nonpublic school pupils;

(b) Beginning in the 1982-1983 school year, Transportation or board of resident elementary pupils who reside one mile or more from the public schools which they could attend; 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 the resident pupils attend pursuant to a program approved by the commissioner of education; transportation of resident elementary pupils who reside one mile or more from a 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;

(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 district 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 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 elementary pupils reside at least one mile from school and secondary pupils reside at least two miles 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-saving 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. 2. Minnesota Statutes 1980, Section 124.225, as amended by Laws 1981, Chapters 356, Section 167; 358, Article II, Sections 3 to 14; First Special Session Chapter 2, Section 8; and Third Special Session Chapter 2, Article II, Section 9, is amended to read:

#### 124.225 [TRANSPORTATION AID ENTITLEMENT.]

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) "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) (b) "Total Authorized cost for regular transportation" or "total authorized expenditure" means the sum of:

(i) (1) all expenditures for transportation in the regular category, as defined in clause (c)(1), for which aid is authorized in section 124.223, plus

(ii) (2) 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) (3) 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) (c) "Total Adjusted authorized predicted cost" means the total authorized cost predicted by a multiple regression formula determined by the de-

partment of education.

(d) "Aid entitlement" means the total amount of basic transportation aid earned by a district before the subtraction of the levy amount provided in subdivision 8a.

(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) (1) 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) (2) ~~Secondary vocational center~~ During-day transportation is transportation services between schools provided under section 124.223, clause (3) (1), and transportation services provided under section 124.223, clauses (3) and (9), and transportation services provided under section 124.223, clause (6), excluding transportation provided for pupils attending shared-time special education classes;

(iii) (3) Handicapped transportation is transportation services for pupils attending shared-time special education classes provided under section 124.223, clause (6), and transportation services provided under section 124.223, clause (4), excluding board and lodging and excluding transportation to and from board and lodging facilities;

(iv) (4) 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) (5) 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) (6) Nonpublic health, guidance and counseling transportation is transportation services provided under section 124.223, clause (10);

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

(g) "Weighted FTE's" means the number of FTE's in each transportation

category multiplied by the pupil weighting factor for that category.

(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.

(i) "Percent excess handicapped FTE's transported" means the result of the following computation for the current year:

one, minus the product of

(1) the ratio of the number of FTE pupils transported in the handicapped category in the state to the number of FTE pupils transported in the handicapped category in the district; times

(2) the ratio of the number of FTE pupils transported in the regular category in the district to the number of FTE pupils transported in the regular category in the state.

(j) "Current year" means the school year for which aid will be paid.

(k) "Base year" means the second school year preceding the school year for which aid will be paid.

(l) "Base cost" means the authorized regular transportation cost per FTE in the base year in the regular transportation category, excluding summer school transportation.

(m) "Predicted base cost" means the base cost as predicted by subdivision 3.

Subd. 1a. [WEIGHTING FACTORS.] For each school year, in computing transportation aid, the department of education shall establish *as needed* the pupil weighting factors for each transportation category for each ~~region~~ district 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~~ district had no experience during the second prior school year.

Subd. 3. [FORMULA.] For 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~~ The department of education shall conduct 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 second preceding school year and the total authorized predicted cost per weighted FTE for the second preceding school year predict the base cost for each district. The A formula determined for each region shall be derived based upon the regression analysis, but excluding the factors described in subdivision 4a, clauses (8), (9), and (10), except that in the 1982-1983 school year, these clauses shall not be excluded. This formula shall be used to determine a total authorized predicted base cost per weighted FTE for the 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 7a and 7a 7b.

Subd. 4a. [FORMULA TERMS.] To predict the total authorized base cost per weighted FTE for each district pursuant to subdivision 3, each regional the 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;
- (2) The reciprocal of 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) (3) The logarithm of 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) (4) The percentage of the district's square mile area which is classified by the commissioner of energy, planning and development as water covered or, marshland, or extractive;
- (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 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;

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

(5) The district's administrative overhead for transportation per authorized FTE transported in the regular transportation category;

(6) The number of schools to which pupils are transported in the regular transportation category, either within or outside the district, divided by the number of authorized FTE's transported in the regular transportation category;

(7) Whether the district is non-rural, based upon criteria established by the department of education;

(8) Whether the district contracts for bus service, or transports pupils only on district-owned buses;

(9) The percentage of all regular transportation category bus routes using buses that are not owned by the district, if that percentage is not 100 percent;

(10) Whether the district operates a special bus to transport pupils to home from school who are involved in after-school activities.

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 26 percent. The total authorized predicted cost per weighted FTE determined for a district under subdivision 3 for 1980-1981 shall be increased by 22 percent.

Subd. 7a. [BASE YEAR SOFTENING FORMULA.] (1) Each district's adjusted total authorized predicted base cost per weighted FTE determined for each school year according to subdivision 6 3 shall be compared to averaged with the total actual expenditure per weighted FTE for authorized transportation base cost for that district for that year to determine the district's aid entitlement adjusted authorized predicted cost 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. Notwithstand-

ing clause (1), for fiscal year 1983, the predicted base cost shall be adjusted as provided in this clause to determine adjusted authorized predicted cost per weighted FTE for the base school year.

(a) If the predicted base cost exceeds the base cost, the predicted base cost shall be decreased by 50 percent of the first \$40 of difference between the base cost and the predicted base cost; 70 percent of the next \$40 of difference; and 90 percent of any difference which exceeds \$80, to determine the adjusted authorized predicted cost per weighted FTE.

(b) If the predicted base cost is less than the base cost, the predicted base cost shall be increased by 50 percent of the first \$40 of difference between the base cost and the predicted base cost; 70 percent of the next \$40 of difference; and 90 percent of any difference which exceeds \$80, to determine the adjusted authorized predicted cost per weighted FTE.

Subd. 7b. [INFLATION FACTORS.] The adjusted authorized predicted cost per weighted FTE determined for a district under subdivision 7a for the base year shall be increased by 22 percent to determine the district's aid entitlement per FTE for the 1982-1983 school year.

Subd. 8a. [AID.] A district's transportation aid shall be equal to the sum of its basic transportation aid pursuant to subdivision 8b, its excess handicapped transportation aid pursuant to subdivision 8c, its handicapped board and lodging aid pursuant to subdivision 8d, its to and from board and lodging aid pursuant to subdivision 8e, its nonpublic support services transportation aid pursuant to subdivision 8f, and its during-day transportation aid pursuant to subdivision 8g, minus the amount raised by two mills times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year. If the total appropriation for transportation aid in any fiscal year is insufficient to pay all districts the full amount of aid earned, the department of education shall reduce each district's aid in proportion to the number of resident pupils in average daily membership in the district to the state total average daily membership, and shall reduce the aid entitlement of off-formula districts in the same proportion. Aid for the 1982-1983 school year shall be reduced by the following amount: the product of

(a) the number of nonhandicapped secondary pupils transported in the base year that live between one and two miles from the public school which they could attend or the nonpublic school actually attended, times

(b) 1.5, divided by the average distance to school for all FTE's transported in the district in the regular transportation category in the second preceding year, times

(c) the district's aid entitlement per FTE determined according to subdivision 7b, times the ratio of average daily membership used in subdivision 8b.

Subd. 8a 8b. [BASIC AID COMPUTATION.] Beginning with the 1982-1983 school year In fiscal years 1983 and 1984, a district's basic transportation aid pursuant to this section for each the school year shall equal the district's aid entitlement per weighted FTE determined according to subdivision 7a 7b times the total number of authorized weighted FTE's transported in the regular and handicapped transportation categories in the district in that the second preceding school year, minus the amount raised by two mills times the adjusted assessed valuation which is used to compute the transportation levy limitation



for the levy attributable to that school year times the ratio of average daily membership in the district in the current school year to the average daily membership in the district in the second preceding school year.

In fiscal year 1985 and thereafter, a district's basic transportation aid pursuant to this section for each school year shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b times the total number of authorized FTE's transported in the regular and handicapped categories in the district in the current school year.

Subd. 8b 8c. [EXCESS HANDICAPPED AID.] (a) In addition to the amount authorized in subdivision 8a, For 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, in the current school year,

(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 the ratio of FTE's transported in the handicapped category to the total number of FTE's transported in the regular transportation category exceeds the same ratio for the state as a whole.

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

(1) the district's actual authorized expenditures for transporting handicapped and board and lodging FTE's and

(2) 140 percent of the district's aid entitlement for transportation of handicapped and board and lodging 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. The product of the percent excess handicapped FTE's transported, times the difference between

(1) the district's actual cost for transportation of all pupils in the handicapped category in the current year, and

(2) the product of

(i) the district's adjusted authorized predicted cost determined according to subdivision 7b, times

(ii) the number of FTE's transported in the handicapped category in the district in the current year.

Provided that in the 1982-1983 school year, the number in (2)(ii) above shall be replaced by the following computation: the product of the number of FTE's transported in the handicapped category in the district in the second preceding year, times its pupil weighting factor for the handicapped category, times the ratio of average daily membership in the district in the current year to

average daily membership in the district in the second preceding year.

*Subd. 8d. [HANDICAPPED BOARD AND LODGING AID.] For board and lodging of handicapped pupils, each district shall receive aid equal to the product of the number of FTE pupils boarded and lodged in the current year in the district in this transportation category, times the average of*

*(a) the state average board and lodging cost per FTE pupil boarded and lodged in the second preceding year, times the inflation factor for that year prescribed in subdivision 7b; and*

*(b) the district's actual cost per FTE pupil boarded and lodged in the current year.*

*Subd. 8e. [TO AND FROM BOARD AND LODGING.] For transportation of handicapped pupils to and from board and lodging facilities, the state shall pay aid for each pupil for each year equal to the lesser of*

*(a) the sum for all pupils transported in this category of 36 times the distance in miles from each pupil's home to the board and lodging facility, times the official mileage rate at which state employees are compensated for travel; or*

*(b) the average of the amount in (a) and the district's actual cost for all transportation in this category in the current year.*

*Subd. 8f. [NONPUBLIC SUPPORT SERVICES AID.] In fiscal year 1983 a district's nonpublic support services transportation aid shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b, times its pupil weighting factor for the nonpublic support services transportation category, times the number of FTE pupils transported in the nonpublic support services category in the district in the second preceding year, times the ratio of average daily membership in the district in the current year to average daily membership in the district in the second preceding year. In fiscal year 1984 and thereafter, a district's nonpublic support services transportation aid shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b, times its pupil weighting factor for the nonpublic support services transportation category, times the number of FTE's transported in that category in the current year.*

*Subd. 8g. [DURING-DAY TRANSPORTATION AID.] For each school year, a district's during-day transportation aid shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b, times its pupil weighting factor for the during-day transportation category, times the number of FTE's transported in the during-day transportation category in the second preceding year, times the ratio of average daily membership in the district in the current year to average daily membership in the district in the second preceding year. In fiscal year 1984 and thereafter, a district's during-day transportation aid shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b, times its pupil weighting factor for the during-day transportation category, times the number of FTE's transported in the during-day transportation category in the current year.*

*Subd. 9. [DISTRICT REPORTS.] Each district shall report data 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 transpor-*

tation category as required by the department to implement the transportation aid formula. 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 each 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. If a district's final transportation aid payment is adjusted after December 31 of the fiscal year in which the final aid payment is made, the adjustment shall be made by increasing or decreasing the district's aid for the next fiscal year. No adjustment in transportation aid for a district shall be made after October 31 of the fiscal year following the fiscal year in which the final aid payment is made.

Subd. 10. Any school district which owns school buses or mobile units shall transfer annually from the unappropriated fund balance account in its transportation fund to the appropriated fund balance account for bus purchases in its transportation fund at least an amount equal to 12-1/2 percent of the original cost of each bus or mobile unit until the original cost of each bus or mobile unit is fully amortized, plus 33-1/3 percent of the cost to the district as of July 1 of each year for school bus reconditioning done by the department of corrections until the cost of the reconditioning is fully amortized; provided, if the district's transportation aid is reduced pursuant to subdivision 8a because the appropriation for that year is insufficient, this amount shall be reduced in proportion to the reduction pursuant to subdivision 8a as a percentage of the sum of:

(1) the district's total transportation aid received pursuant to subdivision 8a, plus

(2) an amount equal to two mills times the adjusted assessed valuation of the district. Any school district may transfer any amount from the unappropriated fund balance account in its transportation fund to any other operating fund or to the appropriated fund balance account for bus purchases in its transportation fund.

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.

Subd. 12. [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. 3. Minnesota Statutes 1981 Supplement, 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, 124.212, 124.20 and 124.2121 to 124.2125 and 124.225 when used in this section shall have the meanings ascribed to them in those sections.

Sec. 4. Minnesota Statutes 1980, Section 275.125, Subdivision 5, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 10, is amended to read:

Subd. 5. For school transportation services, a school district may levy an amount not to exceed the amount raised by a levy of two mills times the adjusted assessed valuation of the taxable property of the district for the preceding year. A district may also levy under this subdivision for the amount necessary to eliminate any projected deficit in the appropriated fund balance account for bus purchases in its transportation fund as of June 30 in the school year when the levy is recognized as revenue. *A district which contracts for pupil transportation services may also levy an amount equal to \$18 times the number of FTE pupils transported on contracted school buses in the preceding school year in the regular transportation category, which shall be placed in the transportation fund and used for any lawful purpose. A district may levy an amount equal to the estimated cost; in the school year beginning in the year in which the levy is certified, of transporting secondary pupils to and from school who live more than one mile but less than two miles from the public school which they could attend or from a nonpublic school actually attended. A district may also levy for transportation costs or other related services which are approved by the commissioner as necessary because of extraordinary traffic hazards for the current fiscal next school year. Levies authorized by this subdivision shall be computed according to procedures established by the commissioner.*

Sec. 5. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 5b. [TRANSPORTATION LEVY OFF-FORMULA ADJUSTMENT.] *In any fiscal year in which the transportation levy in a district attributable to that fiscal year of two mills times the adjusted assessed valuation of the district exceeds the transportation aid entitlement per weighted FTE times the total number of authorized FTE pupils transported, the district's transportation levy limitation shall be adjusted as provided in this subdivision. In the year following that fiscal year, the district's transportation levy shall be reduced by an amount equal to the difference between (1) two mills times the adjusted assessed valuation of the district, and (2) the sum of the district's transportation aid computation pursuant to section 124.225, subdivisions 8b, 8c, 8d, 8e, 8f, and 8g, minus the following amount:*

*the product of*

*(a) the number of nonhandicapped secondary pupils in the current school year who live between one and two miles from the public school which they could attend or the nonpublic school actually attended and who would have been transported in the current year under the district's eligibility rules in the base year, times*

*(b) 1.5; divided by the average distance to school for all FTE's transported in the district in the regular transportation category in the second preceding*

year, times

(c) *the district's adjusted authorized predicted cost determined according to section 124.225, subdivision 7b.*

Sec. 6. [ADDITIONAL TRANSPORTATION LEVY, 1982.]

*In 1982 only, a district may levy for transportation costs or other related services which are necessary because of extraordinary traffic hazards for the 1982-1983 school year. Levies authorized by this section shall be computed according to procedures established by the commissioner.*

Sec. 7. Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3, is amended to read:

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~~ *the 1981-1982 school year* for any purposes indicated is insufficient, the aid *entitlement* for that year shall be prorated among all qualifying districts, *and aid reduced accordingly*. The state shall not be obligated for any amounts in excess of the total appropriations in this section.

Sec. 8. [REPEALER.]

*Minnesota Statutes 1980, Section 121.96 is repealed.*

Sec. 9. [EFFECTIVE DATE.]

*Section 7 and the amendment made in section 2 to Minnesota Statutes 1981 Supplement, Section 124.225, Subdivision 9, are effective the day following enactment.*

### ARTICLE III

#### SPECIAL EDUCATION

Sec. 1. Minnesota Statutes 1981 Supplement, 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 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.

(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 transportation, *except transportation to and from the resident district*, and an appropriate educational program for 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.

(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. Transportation costs shall be paid by the district responsible for providing the transportation and the state shall pay transportation aid to that district.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.2129, is amended by adding a subdivision to read:

*Subd. 5. [RESIDENCE OF STUDENTS TEMPORARILY PLACED IN ANOTHER DISTRICT.] The responsibility for special instruction and services for a child as defined in section 120.03, subdivision 5, who is temporarily placed in another district for care and treatment, shall be determined in the following manner:*

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

*(b) Prior to the placement of a child in another district, the district of residence shall be notified and provided an opportunity to participate in the placement decision. When an immediate emergency placement is necessary and time does not permit resident district participation in the placement decision, the district in which the child is temporarily placed shall notify the district of residence of the emergency placement within 15 days of the placement.*

*(c) Responsibility for provision of transportation and an appropriate educational program shall be the same as for a handicapped child temporarily placed in another district for care and treatment pursuant to section 120.17, subdivision 6. The district of residence shall pay tuition and other program costs, not including transportation costs, to the district providing the instruction and services. Transportation costs shall be paid by the district responsible for providing the transportation and the state shall pay transportation aid to that district. For purposes of transportation aid, these children shall be included in the handicapped transportation category.*

Sec. 3. Minnesota Statutes 1980, Section 124.32, Subdivision 7, is amended to read:

*Subd. 7. [PROGRAM AND AID APPROVAL.] Before May 1 and June 1 of each year, each district providing special instruction and services to handicapped children shall submit to the commissioner an application for approval of these programs and their budgets for the next school year. The application*

shall include an enumeration of the costs proposed as eligible for state aid pursuant to this section and of the estimated number and grade level of handicapped children in the district who will receive special instruction and services during the next school year. The application shall also include any other information deemed necessary by the commissioner for the calculation of state aid and for the evaluation of the necessity of the program, the necessity of the personnel to be employed in the program, the amount which the program will receive from grants from federal funds, or special grants from other state sources, and the program's compliance with the rules and standards of the state board. The commissioner shall review each application ~~in order~~ to determine whether the program and the personnel to be employed in the program are actually necessary and essential to meet the district's obligation to provide special instruction and services to handicapped children pursuant to section 120.17. The commissioner shall not approve aid pursuant to this section for any program or for the salary of any personnel he determines to be unnecessary or unessential on the basis of this review. The commissioner may also withhold all or any portion of the aid for programs which receive grants from federal funds, or special grants from other state sources. ~~On or before July 1 of each year~~ ~~By August 31, when the first aid payment is made,~~ the commissioner shall approve, disapprove or modify each application, and notify each applying district of ~~his~~ the action and of the estimated amount of aid for the programs. The commissioner shall provide procedures for districts to submit additional applications for program and budget approval during the school year, for programs needed to meet any substantial changes in the needs of handicapped children in the district. Notwithstanding the provisions of section 124.15, the commissioner may modify or withdraw ~~his~~ the program or aid approval and withhold aid pursuant to this section without proceeding according to section 124.15 at any time ~~when he the commissioner~~ determines that the program does not comply with ~~the rules and standards~~ of the state board or that any facts concerning the program or its budget differ from the facts ~~presented~~ in the district's approved application.

#### Sec. 4. [SPECIAL EDUCATION TEMPORARY GUIDELINES.]

*The state board of education shall develop and test guidelines for districts to use in defining and serving the following groups of students: (a) students with learning disabilities, (b) students who are emotionally disturbed, and (c) students with special learning behavior problems. During the 1982-83 school year the department shall test the guidelines in a representative sample of districts statewide and report to the education committees of the legislature by February 1, 1984. The department shall report on the operation and fiscal impact of the guidelines.*

*The guidelines are only for the purposes of testing and determining proper policy for the department and do not represent a determination by the legislature or the department that the guidelines are permanent or binding. The guidelines shall not represent competent evidence in any legal proceeding arising in a state or federal court of law.*

#### Sec. 5. [STUDENT TO STAFF RATIOS.]

*For the 1982-1983 school year, the student to staff ratios established pursuant to 5 MCAR 1.0122 C. shall be increased by 20 percent.*

*By February 1, 1983, the department of education shall report to the edu-*

*cation committees of the legislature its recommendations for alternative rules for student to staff ratios.*

Sec. 6. [SUPERVISION.]

*For the 1982-1983 school year, the rules on supervisory personnel of 5 MCAR 1.0122 D., D.1., D.2., D.3., and D.4. are suspended.*

*By February 1, 1983, the department of education shall report to the education committees of the legislature regarding the need to reinstate the rules or its recommendations for alternative rules for supervisory personnel.*

Sec. 7. [STUDENT ASSESSMENT CONFERENCE.]

*Beginning with the 1982-1983 school year, the assessment requirement established pursuant to 5 MCAR 1.0124 B.1.b. and 1.0126B shall be reduced to one assessment every three years.*

Sec. 8. [PERIODIC REVIEW.]

*Beginning with the 1982-1983 school year, the periodic review requirement established pursuant to 5 MCAR 1.0126 A.2. shall be reduced to one review each year.*

Sec. 9. [EFFECTIVE DATE.]

*Section 3 is effective the day following final enactment.*

#### ARTICLE IV

#### MISCELLANEOUS

Section 1. Minnesota Statutes 1980, Section 123.32, Subdivision 1, is amended to read:

Subdivision 1. Unless a different date is permitted under the provisions of subdivision 22 or section 2 of this article, the annual election in independent districts shall be held on the third Tuesday in May.

Sec. 2. Minnesota Statutes 1980, Section 123.32, is amended by adding a subdivision to read:

*Subd. 28. The board of any school district may by resolution provide for the holding of the annual election on the first Tuesday after the first Monday in November of any year. If the annual election is held in November, the terms of office of all board members shall be lengthened to expire on January 1.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 123.937, is amended to read:

123.937 [LIMIT ON DISTRICT OBLIGATIONS.]

If 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, 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. *Notwithstanding Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 21, the appropriations provided in Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 16, may be used to pay claims for nonpublic aids for either year of the 1983*



*biennium.*

Sec. 4. Minnesota Statutes 1981 Supplement, 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 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. *If the number of applications approved by the commissioner by March 15 is less than 500 and is within the limits of the appropriation, additional applications submitted to the school board after February 1 may be considered for approval by the school board and commissioner according to the order of receipt.*

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. 5. Minnesota Statutes 1981 Supplement, Section 354.66, Subdivision 6, is amended to read:

Subd. 6. A board of an employing district entering into an agreement authorized by this section shall take all steps necessary to assure continuance of any insurance programs furnished or authorized a full time teacher on an identical basis and with identical sharing of costs for a part time teacher pursuant to this section, *provided, however, that the requirements of this sentence may be modified by a collective bargaining agreement between a board and an exclusive representative pursuant to chapter 179.* Notwithstanding the provisions of section 43.47, subdivision 16, teachers as defined in section 136.88 employed on a less than 75 percent time basis pursuant to this section shall be eligible for state paid insurance benefits as if the teachers were employed full time.

Sec. 6. [FUND TRANSFER; CAPITAL EXPENDITURE TO GENERAL.]

*Notwithstanding the provisions of section 121.912, during the 1982-1983 school year, a district may transfer an amount not to exceed \$50 per pupil unit from the capital expenditure fund to the general fund.*

Sec. 7. [REPEALER.]

*Minnesota Statutes 1980, Section 128.05; Laws 1976, Chapter 20, Section 8; and Laws 1967, Chapters 251 and 253, are repealed.*

Sec. 8. [EFFECTIVE DATE.]

*Sections 3 and 7 are effective the day following final enactment.*

## ARTICLE V

### VOCATIONAL EDUCATION

Section 1. Minnesota Statutes 1980, Section 121.21, Subdivision 4a, is amended to read:

Subd. 4a. No district shall expend funds from any source for the acquisition or betterment of lands or buildings or for capital improvements needed for an area vocational-technical school without the approval of the state board and authorization by specific legislative act if that acquisition, betterment or capital improvement requires the expenditure of ~~an amount equal to or greater than \$150,000~~ *\$250,000 or more*, or adds more than 1,000 gross square feet to a post-secondary vocational facility, or requires the issuance of school district bonds. No acquisition or betterment of lands or buildings or capital improvement which requires ~~the an expenditure of an amount less than \$150,000 but equal to or greater than~~ *between \$50,000 and \$250,000* or which changes the perimeter walls of an existing facility shall be carried out without the approval of the state board. No acquisition or betterment of lands or buildings or capital improvement which requires the expenditure of less than \$50,000, which does not change a perimeter wall and which does not require the issuance of school district bonds, shall be carried out without the approval of the commissioner of education. As used in this subdivision, the terms "acquisition" and "betterment", as applied to lands and buildings, and "capital improvement" shall have the meanings ascribed to them in chapter 475, but shall not include the acquisition or betterment of machinery or equipment.

Sec. 2. Minnesota Statutes 1981 Supplement, 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. 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.~~ 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. The state board shall not approve the permanent transfer for any other purpose of any amount which exceeds \$150,000.~~

Sec. 3. Minnesota Statutes 1981 Supplement, Section 124.5624, Subdivision 3, is amended to read:

Subd. 3. [EQUIPMENT AID.] "Post-secondary vocational equipment 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, *as necessary for the conduct of post-secondary vocational-technical training*, 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; ~~and~~

(d) *renting or leasing buildings for school purposes*

~~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. 4. Minnesota Statutes 1981 Supplement, Section 124.5624, Subdivision 4, is amended to read:

Subd. 4. [BUDGETS; EQUIPMENT AID ALLOCATION.] Each AVTI shall submit a budget before ~~January 1, 1982, 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: acquisition of equipment or machinery, betterment of equipment or machinery ~~and rents and leases, leasing fees, and renting or leasing buildings for school purposes~~, 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, supply aid, or repair and betterment aid. The department of education shall recommend an allocation of equipment aid in each applicable component activity of the AVTI's operations for each of the expenditure categories and a total allocation of 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 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.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 124.5627, Subdivision 3, is amended to read:

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.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 124.5627, Subdivision 4, is amended to read:

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.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 124.5627, Subdivision 5, is amended to read:

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. 8. [EFFECTIVE DATE.]

*Sections 1, 3, 4, 5, 6, and 7 are effective the day following final enactment.*

## ARTICLE VI

## OTHER AIDS AND LEVIES

Section 1. Minnesota Statutes 1980, Section 3.9279, Subdivision 4, is amended to read:

Subd. 4. [ADDITIONAL FUNDING.] A school district providing early childhood and family education programs may receive funds for the programs from other governmental agencies and from private sources, including any state or federal funds available for community education or parent education. *Block grant moneys received by the district under the federal Omnibus Reconciliation Act of 1981 may also be used by the district for support of its early childhood and family education program.*

Sec. 2. Minnesota Statutes 1980, Section 3.9279, Subdivision 6, is amended to read:

Subd. 6. [PROGRAM COORDINATION.] A district providing early childhood and family education services is strongly encouraged to coordinate this programming with related services provided in the district by other governmental agencies and may develop cooperative programs with nonprofit agencies. *If a district offers health and developmental screening pursuant to section 123.702, the early childhood and family education program may administer this screening, except in districts where the program does not serve the entire district.* State government agencies shall cooperate with a school district in these coordination efforts. A district which provides early childhood and family education programs but does not coordinate its efforts with those of other governmental agencies shall submit an explanatory report to the commissioner of education within one year after the implementation of its programs and each year thereafter in which such coordination is not established.

Sec. 3. Minnesota Statutes 1980, Section 3.9279, Subdivision 7, is amended to read:

Subd. 7. [ADVISORY COUNCILS.] The school board of a district providing early childhood and family education programs shall appoint an advisory council. Council members shall be selected from the school attendance area in which the programs are provided. A majority of the members shall be parents participating in the local program. *One member shall be a physician, and one member shall be a registered nurse.* The local advisory council shall *meet at least twice each year and shall* assist the education board in the development, coordination, supervision and review of early childhood and family education services in the area and shall suggest priorities for child learning and development services in the community. *The council shall also make recommendations for health and developmental screening for children in the school district.* The council shall report to the school board and the district community education advisory council, if that council has been established in the district.

Sec. 4. Minnesota Statutes 1980, Section 3.9279, is amended by adding a subdivision to read:

*Subd. 14. [EXPERIMENTAL FORMULA AID.] For the 1982-1983*

*school year, the council on quality education shall recommend to the state board of education not more than six existing early childhood and family education programs to convert existing grants to foundation type aids in accordance with one or more experimental formulas designed by the council on quality education. In designing the formulas, the council shall determine membership based on participant hours of both parents and children. The council shall submit a report to the education committees of the legislature by March 15, 1983, evaluating this experimental formula aid, recommending changes and assessing the applicability of foundation aid to early childhood and family education programs.*

Sec. 5. Minnesota Statutes 1980, Section 120.73, Subdivision 1, is amended to read:

Subdivision 1. A school board ~~is authorized to~~ may require payment of fees in the following areas:

(a) In any program where the resultant product, in excess of minimum requirements and at the pupil's option, becomes the personal property of the pupil;

(b) Admission fees or charges for extra curricular activities, where attendance is optional;

(c) A security deposit for the return of materials, supplies, or equipment;

(d) Personal physical education and athletic equipment and apparel, although any pupil may provide his own if it meets reasonable requirements and standards relating to health and safety established by the school board;

(e) Items of personal use or products which a student may purchase at his own option such as student publications, class rings, annuals, and graduation announcements;

(f) Fees specifically permitted by any other statute, including but not limited to section 171.04, clause (1);

(g) Field trips considered supplementary to a district educational program;

(h) Any authorized voluntary student health and accident benefit plan;

(i) For the use of musical instruments owned or rented by the district, a reasonable rental fee not to exceed either the rental cost to the district or the annual depreciation plus the actual annual maintenance cost for each instrument;

(j) Transportation of pupils to and from extra curricular activities conducted at locations other than school, where attendance is optional;

(k) Motorcycle classroom education courses conducted outside of regular school hours; provided the charge shall not exceed the actual cost of these courses to the school district;

(l) *Summer programs, except special education and remedial education;*

(m) *Fees of not more than 20 percent of the actual cost of a program or activity in secondary schools for which there is no credit toward graduation.*

Sec. 6. [121.60] [SUMMER PROGRAMS.]

Subdivision 1. [AUTHORIZATION.] Any school district may offer a sum-

*mer program which includes educational, social and recreational opportunities for elementary and secondary students residing within the school district.*

*The summer program may include activities and educational components previously offered in traditional summer school programs as well as community education programs, community recreation programs and improved learning programs.*

*Subd. 2. [FEES:] Pursuant to section 120.73, a school district may charge reasonable fees for summer programs. Each school board shall adopt a policy for waiving fees in case of hardship.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 123.702, Subdivision 1, is amended to read:

Subdivision 1. 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. *Each screening program shall have an advisory council of eight members appointed by the school board. One member shall be a physician and one member shall be a registered nurse. In districts where there is an early childhood and family education program serving the entire district, that council may serve the advisory council for the screening program.* No school board may make this screening examination a mandatory prerequisite to enroll a student.

Sec. 8. Minnesota Statutes 1981 Supplement, 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 \$28 per child screened in fiscal year 1982 and ~~\$29~~ \$26.80 per child screened in fiscal year 1983. Any district may request and receive an advance payment equal to 50 percent of its estimated payment for screening eligible children.

Sec. 9. Minnesota Statutes 1981 Supplement, Section 124.245, Subdivision 1, is amended to read:

Subdivision 1. [BASIC COMPUTATION.] (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 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.

*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 \$89 per pupil unit in that school year or, in districts where the actual number of pupil units iden-*

*tified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$94 per pupil unit in that school year, exceeds the amount raised by seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. In order to qualify for aid pursuant to this subdivision in any school year, a district must have levied the full seven EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.*

(b) In the 1982-1983 school year and each year thereafter, the aid under clause (a) for any 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~~ \$89 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~~ \$94 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. 10. Minnesota Statutes 1981 Supplement, Section 124.245, Subdivision 1a, is amended 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~~ \$24.50 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 275.125, subdivision 11b 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 275.125, subdivision 11b may be used.

Sec. 11. Minnesota Statutes 1981 Supplement, Section 124.246, Subdivision 2, is amended to read:

Subd. 2. [AID.] *For the 1981-1982 school year*, 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.

*For the 1982-1983 school year and each year thereafter*, an eligible district shall receive 92.5 cents 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 \$925.

Sec. 12. Minnesota Statutes 1981 Supplement, Section 124.247, Subdivi-



sion 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 \$16.25, in the 1981-1982 school year, and ~~\$17.50~~ \$16.18 in the 1982-1983 school year, times the number of gifted and talented students in the district. No more than 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. 13. Minnesota Statutes 1981 Supplement, Section 124.26, Subdivision 1, is amended to read:

Subdivision 1. [COMPENSATION.] 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. *For the 1981-1982 school year, the portion of such the compensation from state appropriation shall be 90 percent of the compensation paid each teacher for his services in such the programs up to \$8,000 per year based on the costs in that current year. For the 1982-1983 school year and each year thereafter, the portion of such compensation from state appropriation shall be 83.25 percent of the compensation paid each teacher for services in the programs up to \$7,400 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. 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. 14. Minnesota Statutes 1981 Supplement, Section 124.271, Subdivision 2, is amended to read:

Subd. 2. In fiscal ~~years year 1982 and 1983~~ the state shall pay the greater of 65 cents per capita or \$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. *In fiscal year 1983, the state shall pay the greater of 60 cents per capita or \$5,642 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. 15. Minnesota Statutes 1981 Supplement, Section 124.273, Subdivision 1, is amended to read:

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~~ 60 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~~ 60 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.

Sec. 16. Minnesota Statutes 1981 Supplement, Section 124.273, Subdivision 2, is amended to read:

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~~ 60 percent of the salaries paid to essential instructional personnel employed by the district in its educational program for pupils of limited English proficiency.

Sec. 17. Minnesota Statutes 1981 Supplement, Section 124.32, Subdivision 1, is amended to read:

Subdivision 1. (a) For the 1981-1982 ~~and 1982-1983~~ school years year, the state shall pay to any district for the employment in its educational program for handicapped children 68.8 percent of the salary of essential personnel for the normal school year for each full time, *part time or limited 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. *For the 1982-83 school year, the state shall pay to any district for the employment in its educational program for handicapped children 61 percent of the salary of essential personnel for the normal school year for each full time, part time or limited time person employed, 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. 18. Minnesota Statutes 1981 Supplement, Section 124.32, Subdivision

1b, is amended to read:

Subd. 1b. [CONTRACT SERVICES.] (1) *For the 1981-1982 school year 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. In the 1982-1983 school year and each year thereafter, 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 53.3 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 the 1981-1982 school year 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 summer school revenue allowance of the district attributable to that pupil. For the 1982-1983 school year and each year thereafter, 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 53.3 percent of the difference between the amount of the contract and the summer school revenue allowance of the district attributable to that pupil.*

Sec. 19. Minnesota Statutes 1980, Section 124.32, Subdivision 2, is amended to read:

Subd. 2. *For the 1981-82 school year the state shall pay each district for supplies and equipment purchased or rented for use in the instruction of handicapped children an amount equal to one-half of the sum actually expended by the district but not to exceed an average of \$50 in any one school year for each handicapped child receiving instruction. For the 1982-83 school year and each year thereafter, the state shall pay each district for supplies and equipment purchased or rented for use in the instruction of handicapped children an amount equal to 44.4 percent of the sum actually expended by the district but not to exceed an average of \$44.44 in any one school year for each handicapped child receiving instruction.*

Sec. 20. Minnesota Statutes 1981 Supplement, 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 1981-1982 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, 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. *For the 1982-1983 regular school year and each year thereafter, the aid shall be an amount not to exceed 35.7 percent of the difference between the instructional costs charged to the resident district and the foundation aid formula allowance, 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 35.7 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. 21. Minnesota Statutes 1980, Section 124.32, Subdivision 10, is amended to read:

Subd. 10. [SUMMER SCHOOL.] The state shall pay aid for summer school programs for handicapped children on the basis of the sections of Minnesota Statutes providing aid for handicapped children for the preceding school year. *For 1982 summer school, the summer school aid shall be computed using the 1982-83 formula amounts.* ~~On or before~~ By March 15 of each year, districts shall submit separate applications for program and budget approval for summer school programs. The review of these applications shall be as provided in subdivision 7. By May 1 of each year, the commissioner shall approve, disapprove or modify the applications and notify the districts of ~~his~~ the action and of the estimated amount of aid for the summer school programs. Aid for these programs shall be paid ~~on or before the October 1~~ by November 15 after the summer when the programs are conducted.

Sec. 22. Minnesota Statutes 1981 Supplement, Section 124.38, Subdivision 7, is amended to read:

Subd. 7. "Maximum effort debt service levy" means the lesser of:

- (1) A levy in 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;

(d) In any school district ~~granted for which a capital loan between July 1, 1977 and June 2, 1981 was approved prior to August 1, 1981~~, 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. 23. Minnesota Statutes 1981 Supplement, Section 124.5621, Subdivision 12, is amended to read:

Subd. 12. [INSTRUCTIONAL AID FORMULA.] ~~In each~~ (1) For fiscal year 1982, 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) 119 percent, multiplied by

(d) The student growth or decline factor for that AVTI.

(2) For fiscal year 1983, 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) 109.5 percent, multiplied by*

*(d) The student growth or decline factor for that AVTI.*

Sec. 24. Minnesota Statutes 1980, Section 124.572, Subdivision 2, is amended to read:

Subd. 2. [ADULT VOCATIONAL AID.] The state shall pay to any district or cooperative vocational center ~~75~~ 69 percent of the salaries paid to essential, licensed personnel or personnel exempt from licensure pursuant to section 125.031 in that school year for services rendered in that district's or center's adult vocational education programs. In addition, the state shall pay ~~50~~ 46.25 percent of the costs of necessary travel between instructional sites by adult vocational education teachers. The commissioner may withhold all or any portion of this aid for an adult vocational education program which receives moneys from any other source, and in no event shall a district or center receive a total amount of state aid for salaries and travel pursuant to this section which, when added to moneys from other sources, will provide the program an amount for salaries and travel which exceeds 100 percent of the amount of its expenditures for salaries and travel in the program.

Sec. 25. Minnesota Statutes 1981 Supplement, Section 124.573, Subdivision 2, is amended to read:

Subd. 2. [SALARIES, ~~EQUIPMENT~~ AND TRAVEL.] In the 1981-1982 school year ~~and each year thereafter~~, the state shall pay to any district or cooperative center 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 45 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers, 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. *In the 1982-1983 school year and each year thereafter, the state shall pay to any district or cooperative center 41.6 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 41.6 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers, and 41.6 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. 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. 26. Minnesota Statutes 1981 Supplement, 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 1981-1982 school year, the state shall pay each district or cooperative center 40 percent of the amount of a contract entered into pursuant to this subdivision. In the 1982-1983 school year and each year thereafter, the state shall pay each district or cooperative center 37 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. 27. Minnesota Statutes 1981 Supplement, Section 124.574, Subdivision 2, is amended to read:

Subd. 2. [SALARIES.] (a) For the 1981-1982 ~~and 1982-1983 school years~~ school year, the state shall pay to any district or cooperative center 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. *For the 1982-1983 school year, the state shall pay to any district or cooperative center 60 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 program 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. 28. Minnesota Statutes 1980, Section 124.574, Subdivision 3, is amended to read:

Subd. 3. In addition to the provisions of subdivision 2, the state shall pay:

(a) *In the 1981-1982 school year, 50 percent of the costs of necessary equipment for these secondary vocational education programs for handicapped children; in the 1982-1983 school year and each year thereafter, 46.25 percent of the costs of necessary equipment for these secondary vocational education programs for handicapped children;*

(b) *In the 1981-1982 school year, 50 percent of the costs of necessary travel*

between instructional sites by secondary vocational education teachers of handicapped children, but not including travel to and from local, regional, district, state or national vocational student organization meetings; *in the 1982-1983 school year and each year thereafter, 46.25 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers of handicapped children, but not including travel to and from local, regional, district, state or national vocational student organization meetings;* and

(c) *For the 1981-1982 school year, 50 percent of the costs of necessary supplies for these secondary vocational education programs for handicapped children, but not to exceed an average of \$50 in any one school year for each handicapped child receiving these services ; in the 1982-1983 school year and each year thereafter, 46.25 percent of the costs of necessary supplies for these secondary vocational education programs for handicapped children, but not to exceed an average of \$46.25 in any one school year for each handicapped child receiving these services.*

Sec. 29. Minnesota Statutes 1980, Section 134.34, is amended by adding a subdivision to read:

*Subd. 5. [MAINTENANCE OF EFFORT; EXCEPTION.] Notwithstanding subdivision 4, a regional library system support grant may be made in fiscal year 1983 to a regional public library system for a participating city or county which decreases the dollar amount provided by it for operating purposes of public library service below the amount provided by it for 1981 if the amount provided by the city or county in 1982 is not less than the amount provided by it in 1980. A regional library system support grant may be made in fiscal year 1983 to a regional public library system for a participating city or county which decreases the dollar amount provided by it for operating purposes of public library service below the amount provided by it for 1982, if the amount provided by the city or county in 1983 is not less than the amount provided by it in 1981. This subdivision shall not affect the eligibility of cities or counties to declare all or part of their library levies as special levies under the provisions of section 275.50, subdivision 5, clause (c).*

Sec. 30. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

*Subd. 2g. [SUMMER SCHOOL LEVY.] Beginning with the 1982 levy for programs in the summer of 1982 and each year thereafter, a district may levy, for summer school offered pursuant to section 6, an amount not to exceed \$20 per actual pupil unit for the regular school year prior to the summer program.*

Sec. 31. Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 11b, is amended 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 *each year* 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;

(d) for capital expenditures required to pay for special assessments against school district property.

Sec. 32. Minnesota Statutes 1980, Section 275.48, is amended to read:

275.48 [ADDITIONAL TAX LEVIES IN CERTAIN MUNICIPALITIES.]

~~Whenever~~ *When* by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the assessed valuation of ~~any a~~ city, township or school district for ~~any a~~ taxable year is reduced after the taxes for ~~such the~~ year have been spread by the county auditor, and ~~whenever when~~ the mill rate as determined by the county auditor based ~~upon on~~ the original assessed valuation is applied ~~upon such on the reduced valuations valuation~~ and does not produce the full amount of taxes as actually levied and certified for ~~such that~~ taxable year ~~upon on~~ the original assessed ~~valuations valuation~~, ~~such the~~ city, township or school district may include an additional amount in its tax levy made following final determination and notice of ~~such the~~ reduction in assessed valuation; ~~an~~ The amount shall equal to the difference between the total amount of taxes actually levied and certified for ~~such that~~ taxable year upon the original assessed valuation, not exceeding the maximum amount which could be raised ~~upon such on~~ the assessed valuation as reduced, within existing mill limitations, if any, and the amount of taxes collected for ~~such that~~ taxable year ~~upon such on~~ the reduced ~~valuations valuation~~. The total tax levy authorized for a school district by this section shall be reduced by the total amount of any abatement adjustments received by the district pursuant to section 124.214, subdivision 2, in the same calendar year in which the levy is certified. ~~Prior to September 15 of each year, the commissioner of education shall certify to each county auditor the amount of any abatement adjustments paid in that year to each school district in that county. As part of the certification required by section 275.125, subdivision 10, the commissioner of education shall certify the amount of the abatement levy limitation adjustment for each school district headquartered in that county.~~

*Except for school districts, the amount of taxes so included shall be levied separately and shall be levied in addition to all limitations imposed by law; and further shall not result in any penalty in the nature of a reduction in state aid of any kind.*

Sec. 33. Laws 1981, Third Special Session Chapter 2, Article II, Section 1, is amended to read:

Section 1. [EDUCATION AID REDUCTIONS; SUMMARY.]

The sums set forth in the columns designated "APPROPRIATION REDUCTIONS" are reduced from the general fund appropriations to the depart-

ment of education. The figures "1982" and "1983" when used in section 2 of this article Laws 1981, Third Special Session Chapter 2, Article II, Section 2, mean that the appropriation reductions listed are from the appropriations for the fiscal years ending June 30, 1982 or June 30, 1983, respectively.

SUMMARY OF REDUCTIONS

	1982	1983
EDUCATION AIDS .....	(-0-)	(\$160,900,000)
	(\$22,500)	(\$160,877,500)

APPROPRIATION REDUCTIONS

1982	1983
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Sec. 34. Laws 1981, Third Special Session Chapter 2, Article II, Section 2, is amended to read:

Sec. 2. [APPROPRIATION REDUCTIONS.]

The general fund appropriations in Laws 1981, Chapter 358, as amended by Laws 1981, First Special Session, Chapter 2, are reduced by the listed amounts. The appropriation reductions in this section are from the portion of the appropriation provided for the current year and not from the portion of the appropriation provided for the prior year.

(a) Foundation Aid .....	(-0-)	(\$68,481,500)
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The appropriation reduction in paragraph (a) represents four and nine-tenths percent of the formula allowance for foundation aid for fiscal year 1983 payable in fiscal year 1983, plus a reduction due to the one mill levy increase authorized by this article.

(b) Summer School .....	(-0-)	(12,066,400)
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(c) Transportation Aid .....	(-0-)	(34,655,400)
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(32,930,400)

The appropriation reduction in paragraph (c) represents: (1) *the product of: (i) the sum of the appropriation provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358, Article II, Section 15, Subdivision 2, as amended by Laws 1981, First Special Session, Chapter 2, Section 9, Subdivision 2; plus (2) the proceeds of the two-mill one-mill levy authorized by this article Minnesota Statutes 1980, Section 275.125, Subdivision 5; times (3) (ii) seven and one-half percent; (2) plus a reduction due to the one-mill levy increase authorized by Laws 1981, Third Special Session Chapter 2, Article II, Section 12.*

(d) Special Education Aid .....	(-0-)	(7,076,000)
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The appropriation reductions in paragraphs (d) to (k) represent seven and one-half percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358, as amended by Laws 1981, First

## Special Session, Chapter 2.

(e) Summer School Special Education Aid . . . . .	(-0-)	(366,500)
(f) Handicapped Pupils Placed in Residential Facilities . . . . .	(-0-)	(47,300)
(g) Limited English Proficiency Pupils Program Aid . . . . .	(-0-)	(251,600)
(h) American Indian Language and Culture Program . . . . .	(-0-)	(33,500)
(i) Hearing Impaired Support Services Aid . . . . .	(-0-)	(3,000)
(j) Adult Education Aid . . . . .	(-0-)	(84,600)
(k) Community Education Aid . . . . .	(-0-)	(240,000)
(l) Post-Secondary Vocational Instructional Aids . . . . .	(-0-)	(3,949,900)
The appropriation reductions in paragraphs (l) to (p) represent eight percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358.		
(m) Post-Secondary Vocational Supply Aid . . . . .	(-0-)	(1,186,300)
(n) Post-Secondary Vocational Support Services Aid . . . . .	(-0-)	(1,215,300)
(o) Post-Secondary Vocational Equipment Aid . . . . .	(-0-)	(729,600)
(p) Post-Secondary Vocational Repair and Betterment Aid . . . . .	(-0-)	(95,200)
(q) Adult Vocational Education Aid . . . . .	(-0-)	(481,400)
The appropriation reductions in paragraphs (q) to (ll) represent a reduction of seven and one-half percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358.		
(r) Adult Vocational Programs in Energy Management for Building Operators . . . . .	(-0-)	(3,300)
(s) Veteran Farmers Cooperative Training Programs . . . . .	(-0-)	(44,200)
(t) Secondary Vocational Education Aid . . . . .	(-0-)	(1,348,300)
(u) Secondary Vocational Programs for Handicapped Children . . . . .	(-0-)	(159,700)
(v) Health and Developmental Screening Programs . . . . .	(-0-)	(80,600)
(w) Abatement Aid . . . . .	(-0-)	(224,100)
(x) Capital Expenditure Equalization Aid . . . . .	(-0-)	(28,200)
(y) Special Purpose Capital Expenditure Equalization Aid . . . . .	(-0-)	(4,400)
(z) Educational Cooperative Service Units . . . . .	(-0-)	(57,700)

(aa) Gifted and Talented Students . . . . .	(-0-)	(40,800)
(bb) Alternative Grants . . . . .	(-0-)	(11,300)
(cc) Council on Quality Education Venture Fund Grants . . . . .	(-0-)	(38,300)
(dd) Early Childhood and Family Education Programs . . . . .	(-0-)	(95,600)
(ee) Basic Support Grants for Library Services . . . . .	(-0-)	(273,000)
(ff) Multi-County Library Systems . . . . .	(-0-)	(11,600)
(gg) Nonpublic Educational Aids . . . . .	(-0-)	(288,600)
(hh) Indian Education Programs . . . . .	(-0-)	(11,300)
(ii) Chemical Use Programs . . . . .	(-0-)	(62,000)
(jj) Extended Leaves of Absence . . . . .	(-0-)	(118,100)
(kk) Part-time Teaching . . . . .	(-0-)	(5,700)
(ll) Early Retirement Incentives . . . . .	(-0-)	(135,400)
(mm) Improved Learning Program . . . . .	(22,500)	(-0-)
<i>The appropriation reduction in paragraph (mm) represents a reduction of seven and one-half percent of the appropriation provided for fiscal year 1982 in Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 19.</i>		
<del>(mm)</del> (nn) General Reduction . . . . .	(-0-)	(26,894,300) (28,596,800)

The commissioner of education shall apportion the reduction in paragraph ~~(mm)~~ (nn) among school districts, public library systems, multi-type library systems, and educational cooperative service units, and regional management information systems in the same manner in which he apportioned the education aid reductions made in fiscal year 1981 pursuant to Minnesota Statutes 1980, Sections 16A.15, Subdivision 1, and 124.77, because funds in the state treasury were insufficient.

Sec. 35. Laws 1981, Third Special Session Chapter 2, Article II, Section 20, is amended to read:

Sec. 20. [EFFECTIVE DATE.]

Sections 1 to 9 and 11 to 19 are effective the day following final enactment. Section 10 is effective for levies certified in 1982 payable 1983 on July 1, 1982.

Sec. 36. [PROGRAMS FOR YOUTH WHO LEAVE SCHOOL BEFORE GRADUATION.]

*Subdivision 1. [PURPOSE.] The legislature expresses concern over the economic and social problems faced by many youth who leave school before graduation. State and local programs need to be coordinated, developed and established to assist these youth to become employable and to complete an educational program.*

*Subd. 2. [DEPARTMENT OF EDUCATION.] (a) The state board of edu-*

cation shall coordinate and develop state and local programs directed toward the needs of youth who leave or are likely to leave school before graduation. Programs may include employment training programs, juvenile justice programs, programs in correctional facilities, post-secondary educational programs, and others as appropriate.

(b) The board shall award grants pursuant to subdivisions 3 and 4.

(c) The department shall conduct informational workshops and provide technical assistance to state and local agencies.

**Subd. 3. [GRANTS FOR EXISTING PROGRAMS.]** The state board of education shall award up to six grants to school districts, combinations of school districts, ECSU's, colleges, or universities. The recipients shall have existing programs for youths who have left or are likely to leave school before graduation. The board shall use the following criteria for grant awards: demonstrated successful service to youths likely to leave or to youths who have returned to high school; goals for participants to complete high school and become employable; cooperation with other state and local public and non-public agencies or organizations; willingness to make personnel available for workshops and to provide technical assistance for establishing or developing programs; and other criteria as determined by the department. Applications shall be submitted by November 15, 1982, in the manner prescribed by the board.

**Subd. 4. [GRANTS FOR NEW PROGRAMS.]** The state board of education shall award up to ten grants to school districts, combinations of school districts, ECSU's, colleges, or universities to establish programs for youths who have left or are likely to leave school before graduation. The board shall use the following criteria for grant awards: a plan for cooperation with other state and local public and nonpublic agencies or organizations; a plan to finance the program from additional sources such as local, state and federal secondary, post-secondary, higher education and adult education funds; and other criteria as determined by the department. Applications shall be submitted by January 3, 1983, in the manner prescribed by the board.

**Subd. 5. [REPORT TO LEGISLATURE.]** The state board of education shall report to the legislature during the 1983 session about programs for youths who leave or are likely to leave school before graduation. The report shall include the recipients of grants, agencies or organizations involved in the state and local programs, and recommendations based on experiences.

### Sec. 37. [APPROPRIATIONS.]

**Subdivision 1. [GENERALLY.]** The sums set forth in this section are appropriated from the general fund to the department of education for the purposes specified. The sums are available until June 30, 1983.

**Subd. 2. [GRANTS FOR EXISTING PROGRAMS.]** For grants made pursuant to section 36, subdivision 3, there is appropriated:

\$32,000.....1983.

**Subd. 3. [GRANTS FOR NEW PROGRAMS.]** For grants made pursuant to section 36, subdivision 4, there is appropriated:

\$70,000.....1983.

**Subd. 4. [ADMINISTRATIVE COSTS.]** For administration of programs pursuant to section 36, subdivision 2, there is appropriated:

\$20,000.....1983.

Sec. 38. [EFFECTIVE DATE.]

*Sections 5, 6, 29, 33, 34 and 35, are effective the day following final enactment.*

ARTICLE VII

PROPERTY TAX SHIFT

Section 1. Minnesota Statutes 1980, Section 121.904, Subdivision 2, is amended to read:

Subd. 2. *Except as provided in this section, revenues shall be recorded in a manner which clearly indicates that they are applicable to a specific accounting period and fund.*

Sec. 2. Minnesota Statutes 1980, Section 121.904, Subdivision 4, is amended to read:

Subd. 4. *Except as provided in subdivision 4a, as added by Laws 1981, Third Special Session Chapter 2, Article IV, Section 1, revenue shall be recognized as follows: All current levies of local taxes, including portions assumed by the state, shall be recognized as receivable at the beginning of the calendar year during which collection normally takes place. Such receivables shall be reserved for use in the subsequent fiscal year. Payments of current taxes including but not limited to March personal property tax settlements, received prior to July 1, shall be recorded as revenue to be earned as of July 1 with appropriate adjustments to the receivables and the reserves for such taxes. All current taxes received prior to July 1 plus the balance of the reserves shall be recognized as revenue on July 1.*

Sec. 3. Minnesota Statutes 1980, Section 121.904, Subdivision 4a, as added by Laws 1981, Third Special Session Chapter 2, Article IV, Section 1, is amended to read:

Subd. 4a. [LEVY RECOGNITION; PAYABLE 1983.] ~~(1) For taxes assessed in 1982, payable in 1983, all current levies of local taxes, including portions assumed by the state, shall be recognized as provided in this subdivision.~~

~~(2) One-third of the March and May property tax settlements shall be recognized as receivable and recorded as revenue in the same fiscal year during which collection normally takes place. These receivables shall be for use in the current fiscal year.~~

~~(3) Two-thirds of the March and May property tax settlements shall be recognized as receivable and shall be reserved for use in the fiscal year immediately following the fiscal year during which collection normally takes place.~~

~~(4) All of the October property tax settlements shall be recognized as receivable and recorded as revenue in the same fiscal year during which collection normally takes place. These receivables shall be for use in the current fiscal year.~~

*(a) "School district tax settlement revenue" means the current, delinquent, and mobile home property tax receipts collected by the county and distributed to the school district, including distributions made pursuant to section 279.37, subdivision 7, and excluding the amount levied pursuant to section 275.125.*

*subdivision 9a.*

(b) In June of each year, the school district shall recognize as revenue available for expenditure in the current fiscal year, and shall record this revenue in the fund for which the levy was made, the lesser of:

(1) the June and July school district tax settlement revenue received in that calendar year; or

(2) the sum of the state aid payments enumerated in section 5 which are due in the fiscal year ending that June for the school year ending that June; or

(3) one-sixth of the amount of the spread levy in the current calendar year which remains after subtracting, by fund, the amounts levied for the following purposes:

(i) reducing or eliminating projected deficits in the appropriated fund balance accounts for unemployment insurance and bus purchases;

(ii) statutory operating debt pursuant to section 275.125, subdivision 9a, and Laws 1976, Chapter 20, Section 4; and

(iii) retirement and severance pay pursuant to section 275.125, subdivision 6a, and Laws 1975, Chapter 261, Section 4.

(c) In July of each year, the school district shall recognize as revenue available for expenditure in the current fiscal year, and shall record this revenue in the fund for which the levy was made, that portion of the June and July school district tax settlement revenue received in that calendar year and not recognized as revenue for the previous fiscal year pursuant to clause (b).

(d) All other school district tax settlement revenue shall be recognized as revenue in the fiscal year of the settlement. Portions of the school district levy assumed by the state, including prior year adjustments and the amount to fund the school portion of the reimbursement made pursuant to section 273.425, shall be recognized as revenue in the fiscal year beginning in the calendar year for which the levy is payable.

Sec. 4. Laws 1981, Third Special Session Chapter 2, Article IV, Section 3, Subdivision 2, is amended to read:

Subd. 2. [AMOUNT OF REDUCTION.] State aid payments enumerated in section 6 of this article due any school district in fiscal year 1983 for the 1982-1983 school year under the provisions enumerated in subdivision 3 shall be reduced in the order listed by the remainder of the amount the district levied for taxes assessed in 1982, payable in 1983, which is to be recognized recognizes as revenue in for fiscal year 1983 pursuant to section 4 3 of this article; clause (b), minus the amount received pursuant to Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 2d. The district levy against which the reduction is applied shall not include any levy portions that are assumed by the state. For purposes of computing this state aid reduction, the amount levied by the district shall not include the amounts levied to make payments for bonds issued and for interest thereon; the amounts levied for repayment of debt service loans and capital loans; the amounts levied to pay the district's obligations under section 268.06, subdivision 25; and amounts levied pursuant to section 275.125, subdivisions 2d, 6a, 9a, 14a, and 20.

Sec. 5. Laws 1981, Third Special Session, Chapter 2, Article IV, Section 3,

is amended by adding a subdivision to read:

*Subd. 2a. [AMOUNT OF ADJUSTMENT.] Beginning with fiscal year 1984 and each year thereafter, state aid payments enumerated in subdivision 3 due any school district in that fiscal year for that school year shall be adjusted in the order listed by the amount equal to the difference between (1) the amount the district recognized as revenue for the prior fiscal year pursuant to section 3 of this article, clause (b); and (2) the amount the district recognizes as revenue for the current fiscal year pursuant to section 3 of this article, clause (b). Any payment authorized from the cash flow loan fund or the permanent school fund shall not be adjusted pursuant to this section.*

Sec. 6. Laws 1981, Third Special Session Chapter 2, Article IV, Section 3, Subdivision 3, is amended to read:

*Subd. 3. [SUBTRACTION FROM AIDS.] The amount specified in subdivision 2 shall be subtracted from the following state aid payments in the order listed in fiscal year 1983. The amount specified in section 5 of this article shall adjust the following state aid payments in the order listed:*

- (a) Foundation aid as authorized in section 124.212, subdivision 1;
- (b) Secondary vocational aid authorized in section 124.573;
- (c) Special education aid authorized in section 124.32;
- (d) Secondary vocational aid for handicapped children authorized in section 124.574;
- (e) Gifted and talented aid authorized in section 124.247;
- (f) Aid for pupils of limited English proficiency authorized in section 124.273;
- (g) Aid for improved learning programs authorized in section 124.251;
- (h) Aid for chemical use programs authorized in section 124.246;
- (i) Transportation aid authorized in section 124.225;
- (j) School lunch aid authorized in section 124.646;
- (k) Community education programs aid authorized in section 124.271;
- (l) Adult education aid authorized in section 124.26;
- (m) Capital expenditure equalization aid authorized in section 124.245;
- (n) Homestead credit payments authorized in section 273.13, subdivisions 6, 7, and 14a;
- (o) Taconite homestead credit payments authorized in section 273.135;
- (p) Wetlands credit authorized in section 273.115;
- (q) Native prairie credit authorized in section 273.116; and
- (r) Attached machinery aid authorized in section 273.138, subdivision 3.

The commissioner of education shall schedule the timing of the reductions from state aid payments specified in subdivision 2 in such a manner that will minimize the impact of this article on the cash flow needs of the school districts.



Sec. 7. Laws 1981, Third Special Session Chapter 2, Article IV, Section 3, Subdivision 4, is amended to read:

Subd. 4. [ACCOUNTING.] Notwithstanding any law to the contrary, the amount the district recognizes as revenue pursuant to section 3 of this article, clause (b), which is ~~of the levy~~ subtracted from state aid payments shall be recognized and reported on the school district books of account in the same way that the state aid payments would have been recognized and reported.

Sec. 8. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 21. [REPORTING.] *The school district tax settlement revenue defined in section 3 of this article, clause (a), and the amount levied pursuant to subdivision 9a shall be reported by the county auditor to each school district by fund for each settlement on the form specified in section 276.10. The county auditor shall report the spread levy to the district on the report specified in section 275.124.*

Sec. 9. [REPEALER.]

*Laws 1981, Third Special Session Chapter 2, Article IV, Sections 2 and 7, are repealed.*"

Delete the title and insert:

"A bill for an act relating to education; providing for aids to education, aids to libraries; tax levies and distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education; requiring advisory committee for health and developmental screening programs; providing for a program to serve youth who leave school before graduation; appropriating money; amending Minnesota Statutes 1980, Sections 3.9279, Subdivisions 4, 6, 7, and by adding a subdivision; 120.73, Subdivision 1; 121.21, Subdivision 4a; 121.904, Subdivisions 2, 4, and 4a, as added; 123.32, Subdivision 1 and by adding a subdivision; 124.225, as amended; 124.32, Subdivisions 2, 7, and 10; 124.572, Subdivision 2; 124.574, Subdivision 3; 134.34, by adding a subdivision; 275.125, Subdivision 5, as amended, and by adding subdivisions; 275.48; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivision 6; 121.912, Subdivision 1; 123.702, Subdivision 1; 123.705; 123.937; 124.2122, Subdivisions 1, as amended, and 2, as amended; 124.2124, by adding a subdivision; 124.2125, Subdivision 2; 124.2126, Subdivision 3; 124.2129, by adding a subdivision; 124.223; 124.245, Subdivisions 1 and 1a; 124.246, Subdivision 2; 124.247, Subdivision 3; 124.26, Subdivision 1; 124.271, Subdivision 2; 124.273, Subdivisions 1 and 2; 124.32, Subdivisions 1, 1b, and 5; 124.38, Subdivision 7; 124.5621, Subdivision 12; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 124.573, Subdivisions 2 and 3a; 124.574, Subdivision 2; 125.611, Subdivision 5; 275.125, Subdivisions 1, 2d, 7a, and 11b; 354.66, Subdivision 6; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Third Special Session Chapter 2, Article II, Sections 1, 2, and 20; and Article IV, Section 3, Subdivisions 2, 3, 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 121; repealing Minnesota Statutes 1980, Sections 121.96; 128.05; Laws 1967, Chapters 251 and 253; Laws 1976, Chapter 20, Section 8; Laws 1981, Third Special Session Chapter 2, Article IV, Sections 2 and 7."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Olhott from the Committee on General Legislation and Administrative Rules, to which were referred the following appointments as reported in the Journal for February 15, 1982:

### STATE ZOOLOGICAL BOARD

Stephen D. Doyle  
Toni Lin Hengesteg  
James L. Weaver  
Randall J. Gort

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. Nos. 1700, 1808, 1625, 1791, 1790, 1970, 1873, 1792, 1683, 1748, 1718, 1814, 1482, 1913, 1769, 1837, 1605, 1842, 1805, 1662, 1780, 1207, 1903, 1706, 1522, 1740, 1521, 1406, 1755, 2064, 1949, 1648, 1853, 1950, 1809, 19, 1400, 1825, 1671, 2126, 2095, 2030, 1988, 1689, 2026, 1459, 1840, 1644, 2057, 198, 2125, 2062, 1955, 1561, 929, 1886, 1221, 1677, 1888, 1858, 1838, 1878, 1747, 1765, 2010, 2055, 1908, 2111, 1022, 1846, 1130, 1894, 1242, 1942 and 2000 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 1637 and 12 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Olhott moved that the name of Mr. Benson be added as a co-author to S.F. No. 1100. The motion prevailed.

Mr. Pehler moved that the name of Mrs. Stokowski be added as a co-author to S.F. No. 1541. The motion prevailed.

Mr. Merriam moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1738. The motion prevailed.

Ms. Berglin moved that the name of Mrs. Stokowski be added as a co-author to S.F. No. 1901. The motion prevailed.

Mr. Knoll moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1942. The motion prevailed.

Mr. Merriam moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1968. The motion prevailed.

Mr. Willet moved that the name of Mr. Dahl be added as a co-author to S.F. No. 2127. The motion prevailed.

Mr. Peterson, C.C. introduced—

Senate Concurrent Resolution No. 11: A Senate concurrent resolution de-

clarifying the intent that the constitutionality of the creation of money by the Federal Reserve System should be challenged in court and an audit of the Federal Reserve System conducted.

Referred to the Committee on Rules and Administration.

Mr. Bertram introduced—

Senate Resolution No. 74: A Senate resolution proclaiming November 10, 1982, to be Saint John's Preparatory School Day in Minnesota.

Referred to the Committee on Rules and Administration.

### CALENDAR

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; modifying the definitions of "insolvent insurer" and "covered claim" for purposes of the insurance guaranty association act; amending Minnesota Statutes 1980, Sections 61A.24, Subdivisions 2, 4, 6, 9, 10, 11, 12, 13, 14, and by adding subdivisions; 61A.25, Subdivisions 3, 3a, 4, 5, 7, and by adding subdivisions; Minnesota Statutes 1981 Supplement, Sections 60C.03, Subdivision 8; and 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 56 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
Benson	Engler	Lessard	Petty	Stokowski
Berg	Frank	Lindgren	Pillsbury	Taylor
Berglin	Frederick	Luther	Purfeerst	Tennessee
Bernhagen	Frederickson	Menning	Ramstad	Ulland
Bertram	Hughes	Merriam	Renneke	Wegener
Brataas	Humphrey	Moe, D. M.	Rued	Willet
Chmielewski	Johnson	Moe, R. D.	Schmitz	
Dahl	Kamrath	Olhoff	Sieloff	
Davies	Keefe	Pehler	Sikorski	
Davis	Kronebusch	Penny	Solon	

Messrs. Kroening, Vega and Waldorf voted in the negative.

So the bill passed and its title was agreed to.

### CONSENT CALENDAR

S.F. No. 1107: A bill for an act relating to public welfare; authorizing the commissioner of public welfare to use money in the revolving fund for vocational rehabilitation of the blind for certain purposes; removing the preference given to blind operators of vending machines who have resided in the state for a year; amending Minnesota Statutes 1980, Section 248.07, Subdivision 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 64 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.	Spear
Benson	Frank	Lessard	Peterson, R. W.	Stern
Berg	Frederick	Lindgren	Petty	Stokowski
Berglin	Frederickson	Luther	Pillsbury	Taylor
Bernhagen	Hughes	Menning	Purfeerst	Tennessee
Bertram	Humphrey	Merriam	Ramstad	Ulland
Brataas	Johnson	Moe, D. M.	Renneke	Vega
Chmielewski	Kamrath	Moe, R. D.	Rued	Waldorf
Dahl	Keefe	Nelson	Schmitz	Wegener
Davies	Knutson	Olhoft	Setzepfandt	Willet
Davis	Kroening	Pehler	Sieloff	

So the bill passed and its title was agreed to.

H.F. No. 749: A bill for an act relating to real property; providing a fee for issuing noncertified copies of instruments or parts of instruments on file in the office of the registrar of titles; amending Minnesota Statutes 1980, Section 508.82.

Was read the third time 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	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	Taylor
Berglin	Frederickson	Luther	Pillsbury	Tennessee
Bernhagen	Hughes	Menning	Purfeerst	Ulland
Bertram	Humphrey	Merriam	Ramstad	Vega
Brataas	Johnson	Moe, D. M.	Renneke	Waldorf
Chmielewski	Kamrath	Moe, R. D.	Rued	Wegener
Dahl	Keefe	Nelson	Schmitz	Willet
Davies	Knutson	Olhoft	Setzepfandt	
Davis	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1567: A bill for an act relating to judicial procedures; providing an alternative time for a guardian or conservator to file an annual report; amending Minnesota Statutes 1981 Supplement, Section 525.58, Subdivision 1.

With the unanimous consent of the Senate, Mr. Spear moved to amend S.F. No. 1567 as follows:

Page 1, lines 12 to 14, reinstate the stricken language

The motion prevailed. So the amendment was adopted.

S.F. No. 1567 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	Kroening	Olhoft	Setzepfandt
Bang	Dieterich	Kronebusch	Pehler	Sikorski
Belanger	Engler	Langseth	Penny	Solon
Benson	Frank	Lantry	Peterson, D.L.	Spear
Berg	Frederick	Lessard	Peterson, R.W.	Stern
Berglin	Frederickson	Lindgren	Petty	Stokowski
Bernhagen	Hughes	Luther	Pillsbury	Taylor
Bertram	Humphrey	Menning	Purfeerst	Tennessee
Brataas	Johnson	Merriam	Ramstad	Ulland
Chmielewski	Kamrath	Moe, D.M.	Renneke	Waldorf
Dahl	Keefe	Moe, R.D.	Rued	Wegener
Davis	Knutson	Nelson	Schmitz	Willet

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

S.F. No. 1582: A bill for an act relating to port authorities; authorizing seaway port authorities to establish a fiscal year based on the season for international shipping through the St. Lawrence Seaway; amending Minnesota Statutes 1981 Supplement, Section 458.14.

Was read the third time 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	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	Taylor
Berglin	Frederickson	Luther	Pillsbury	Tennessee
Bernhagen	Hughes	Menning	Purfeerst	Ulland
Bertram	Humphrey	Merriam	Ramstad	Vega
Brataas	Johnson	Moe, D. M.	Renneke	Waldorf
Chmielewski	Kamrath	Moe, R. D.	Rued	Wegener
Dahl	Keefe	Nelson	Schmitz	Willet
Davis	Knutson	Olhoft	Setzepfandt	
Davis	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1695: A bill for an act relating to historic sites; adding the Consumers Pure Ice and Storage Company Building in St. Cloud to the registry of state historic sites; amending Minnesota Statutes 1980, Section 138.58, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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	Taylor
Berglin	Frederickson	Luther	Pillsbury	Tennessee
Bernhagen	Hughes	Menning	Purfeerst	Ulland
Bertram	Humphrey	Merriam	Ramstad	Vega
Brataas	Johnson	Moe, D. M.	Renneke	Waldorf
Chmielewski	Kamrath	Moe, R. D.	Rued	Wegener
Dahl	Keefe	Nelson	Schmitz	Willet
Davies	Knutson	Olhoft	Setzepfandt	
Davis	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

H.F. No. 1614: A bill for an act relating to Independent School District No. 708; requiring certification of statutory operating debt.

Was read the third time 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:

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	Taylor
Berglin	Frederickson	Luther	Pillsbury	Tennessee
Bernhagen	Hughes	Menning	Purfeerst	Ulland
Bertram	Humphrey	Merriam	Ramstad	Vega
Brataas	Johnson	Moe, D. M.	Renneke	Waldorf
Chmielewski	Kamrath	Moe, R. D.	Rued	Wegener
Dahl	Keefe	Nelson	Schmitz	Willet
Davies	Knutson	Olhoft	Setzepfandt	
Davis	Kroening	Pehler	Sikorski	
Dicklich	Kronebusch	Penny	Solon	

So the bill passed and its title was agreed to.

S.F. No. 1756: A bill for an act relating to Independent School District No. 699; requiring certification of statutory operating debt.

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

So the bill passed and its title was agreed to.

H.F. No. 1724: A bill for an act relating to Independent School District No. 507, Nicollet; authorizing a transfer of funds collected by referendum levy to reduce statutory operating debt.

Was read the third time 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	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	Taylor
Berglin	Frederickson	Luther	Pillsbury	Tennessee
Bernhagen	Hughes	Menning	Purfeerst	Ulland
Bertram	Humphrey	Merriam	Ramstad	Vega
Brataas	Johnson	Moe, D. M.	Renneke	Waldorf
Chmielewski	Kamrath	Moe, R. D.	Rued	Wegener
Dahl	Keefe	Nelson	Schmitz	Willet
Davies	Knutson	Olhoft	Setzepfandt	
Davis	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

H.F. No. 1574: A bill for an act relating to Independent School District No. 084, Sleepy Eye; requiring revision of its certified statutory operating debt.

Was read the third time 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	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	Taylor
Bernhagen	Hughes	Menning	Purfeerst	Tennessee
Bertram	Humphrey	Merriam	Ramstad	Ulland
Brataas	Johnson	Moe, D. M.	Renneke	Vega
Chmielewski	Kamrath	Moe, R. D.	Rued	Waldorf
Dahl	Keefe	Nelson	Schmitz	Wegener
Davies	Knutson	Olhoft	Setzepfandt	Willet
Davis	Kroening	Pehler	Steloff	

So the bill passed and its title was agreed to.

S.F. No. 1721: A bill for an act relating to education; changing certain notification dates for school districts that educate nonresident pupils; providing that districts of residence are not liable for any billings if notification is received after a certain date; amending Minnesota Statutes 1981 Supplement, Section 124.2129, 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	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	Taylor
Berglin	Hughes	Menning	Purfeerst	Tennessee
Bernhagen	Humphrey	Merriam	Ramstad	Ulland
Bertram	Johnson	Moe, D. M.	Renneke	Vega
Brataas	Kamrath	Moe, R. D.	Rued	Waldorf
Dahl	Keefe	Nelson	Schmitz	Wegener
Davies	Knutson	Olhoft	Setzepfandt	Willett
Davis	Kroening	Pehler	Sieloff	
Dicklich	Kronebusch	Penny	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. 1538: Messrs. Wegener, Rued and Lessard.

H.F. No. 678: Messrs. Schmitz, Stumpf and Pillsbury.

H.F. No. 353: Messrs. Menning, Penny, Luther, Sieloff and Renneke.

H.F. No. 1139: Messrs. Tennessee; Peterson, D.L.; Peterson, R.W.; Davies and Sikorski.

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 Motions and Resolutions.

### MOTIONS AND RESOLUTIONS

Mr. Humphrey moved that S.F. No. 1242, on General Orders, be stricken and re-referred to the Committee on Rules and Administration. The motion prevailed.

Mr. Kroening moved that his name be stricken as a co-author to S.F. No. 1715. The motion prevailed.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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



Ms. Berglin introduced—

S.F. No. 2142: A bill for an act relating to family; authorizing release of information for location of certain parents of deserted children; amending Minnesota Statutes 1980, Section 256.978.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Penny; Moe, R.D.; Renneke and Ashbach introduced—

S.F. No. 2143: A bill for an act relating to education; establishing the basis upon which financial stipends for scholarships and grants-in-aid are determined; amending Minnesota Statutes 1980, Section 136A.121, Subdivision 7; Minnesota Statutes 1981 Supplement, Section 136A.121, Subdivisions 4 and 5.

Referred to the Committee on Education.

Mr. Hanson introduced—

S.F. No. 2144: A bill for an act relating to taxation; real property; providing that certain transmission lines located in unorganized townships shall be listed and assessed where situated; amending Minnesota Statutes 1980, Sections 273.36; 273.37, Subdivision 2; and 273.42, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Langseth and Hanson introduced—

S.F. No. 2145: A bill for an act relating to agriculture; providing an additional tax on certain capital gains from the sale of agricultural land; amending Minnesota Statutes 1980, Section 290.01, Subdivision 20; proposing new law coded in Minnesota Statutes, Chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bertram introduced—

S.F. No. 2146: A bill for an act relating to state lands; conveyance; authorizing the conveyance by the state of certain land in the county of Stearns.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Bertram introduced—

S.F. No. 2147: A bill for an act relating to the environment; providing for regulation of storage facilities for waste; prohibiting acquisition of certain land by condemnation; authorizing the metropolitan council to abrogate the development moratorium on sites and buffer areas for waste facilities; amending Minnesota Statutes 1980, Sections 115A.03, Subdivisions 6, 25, 35, 36, and by adding subdivisions; 115A.10; 115A.18; 115A.22, Subdivisions 1 and 5; 115A.25, Subdivision 1; 116.06, by adding subdivisions; 116.41, Subdivisions 1 and 1a; 473.516, Subdivision 1; 473.811, Subdivision 1; 473.833, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 115A.06, Subdivision 4; 115A.08, Subdivision 4; 115A.11, Subdivision 1; 115A.20; 115A.21, Subdivisions 1 and 2; 115A.23; 115A.24, Subdivisions 1 and 2;

473.153, Subdivision 3; 473.803, Subdivision 1a; repealing Minnesota Statutes 1980, Section 473.833, Subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Solon introduced—

S.F. No. 2148: A bill for an act relating to health; adding a factor for determining whether to regulate a human services occupation; requiring a surcharge on health related licensing board licenses; changing health related licensing board rule review authority; allowing certain practices under rule authority; changing the composition of the human services occupations advisory council; appropriating money; amending Minnesota Statutes 1980, Sections 214.001, Subdivision 2; 214.13, Subdivisions 2 and 3; 214.14, Subdivision 1; and Minnesota Statutes 1981 Supplement, Section 214.06, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Chmielewski introduced—

S.F. No. 2149: A bill for an act relating to the city of Sandstone; authorizing the exchange of certain tax forfeited lands with the federal government.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Davis introduced—

S.F. No. 2150: A bill for an act relating to taxation; allowing disclosure of private data to permit vendor processing of income and sales tax returns; amending Minnesota Statutes 1980, Section 297A.43; and Minnesota Statutes 1981 Supplement, Section 290.61.

Referred to the Committee on Taxes and Tax Laws.

Mr. Penny introduced—

S.F. No. 2151: A bill for an act relating to taxation; property tax refund; redefining rent constituting property taxes; amending Minnesota Statutes 1981 Supplement, Section 290A.03, Subdivisions 11 and 13.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Ulland, Rued, Mrs. Kronebusch and Mr. Benson introduced—

S.F. No. 2152: A bill for an act relating to crimes; requiring the sentencing guidelines commission to modify the guidelines to provide judges with greater sentencing discretion; proposing new law coded in Minnesota Statutes, Chapter 244.

Referred to the Committee on Judiciary.

Mrs. Stokowski introduced—

S.F. No. 2153: A bill for an act relating to accident and health insurance; broadening continuation and conversion privileges of survivors and former

spouses; amending Minnesota Statutes 1980, Sections 62A.145; 62A.146; 62C.142; and 62D.101; and Minnesota Statutes 1981 Supplement, Section 62A.21, Subdivisions 2a and 2b.

Referred to the Committee on Commerce.

Messrs. Waldorf, Merriam, Lindgren, Berg and Bertram introduced—

S.F. No. 2154: A resolution memorializing Congress to propose an amendment to the United States Constitution providing that the states may restrict or prevent abortions.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Petty, Bang, Ms. Berglin, Mrs. Stokowski and Mr. Tennesen introduced—

S.F. No. 2155: A bill for an act relating to the city of Minneapolis; establishing uniformity in liquor licensing provisions applicable to nonprofit corporations within the city; amending Laws 1975, Chapter 305, Section 1.

Referred to the Committee on Commerce.

Mr. Davis introduced—

S.F. No. 2156: A bill for an act relating to taxation; income; extending the energy credit to certain conservation expenditures; amending Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 14.

Referred to the Committee on Taxes and Tax Laws.

Mr. Dahl introduced—

S.F. No. 2157: A bill for an act relating to local government; regulating charges for water service; proposing new law coded in Minnesota Statutes, Chapter 471.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Dahl introduced—

S.F. No. 2158: A resolution memorializing the President and Congress of the United States to extend the cut-off date of benefits for children of retired or deceased workers.

Referred to the Committee on Rules and Administration.

Mr. Petty introduced—

S.F. No. 2159: A bill for an act relating to taxation; requiring assessors to consider certain factors in the valuation of property; amending Minnesota Statutes 1981 Supplement, Section 273.11, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Petty introduced—

S.F. No. 2160: A bill for an act relating to taxation; providing that the

homestead credit does not apply to the first \$100 of tax liability; increasing the maximum credit; amending Minnesota Statutes 1980, Section 273.13, Subdivision 14a; and Minnesota Statutes 1981 Supplement, Section 273.13, Subdivisions 6 and 7.

Referred to the Committee on Taxes and Tax Laws.

Mr. Petty introduced—

S.F. No. 2161: A bill for an act relating to taxation; reducing the percentage rate of the homestead credit; increasing the maximum credit; amending Minnesota Statutes 1980, Section 273.13, Subdivision 14a; and Minnesota Statutes 1981 Supplement, Section 273.13, Subdivisions 6, 7 and 15b, as amended.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ramstad introduced—

S.F. No. 2162: A bill for an act relating to the legislature; proposing an amendment to the Minnesota Constitution, Article IV, by adding sections, to provide for initiative and referendum; implementing the initiative and referendum process, including the manner of petitioning and voting on initiative and referendum measures and judicial review; precluding corporations from deducting as expenses the costs of ballot issue campaigns; imposing duties on certain officials; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.20, by adding a subdivision; and 645.02; Minnesota Statutes 1981 Supplement, Sections 204C.33, Subdivision 3; 204D.11, Subdivision 2; 204D.15, Subdivision 1; 290.09, Subdivision 2; and 290.21, Subdivision 3; proposing new law coded as Minnesota Statutes, Chapter 3B.

Referred to the Committee on Judiciary.

Mr. Ramstad introduced—

S.F. No. 2163: A bill for an act relating to taxation; providing for conformity to federal income tax treatment of contributions to individual retirement accounts and Keogh plans; amending Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ramstad introduced—

S.F. No. 2164: A bill for an act relating to taxation; exempting interest earned on all savers certificates from income tax; amending Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 20; and 290.09, Subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Mr. Rued introduced—

S.F. No. 2165: A bill for an act relating to taxation; income; exempting certain corporations from the requirement of combined reporting of unitary

business income; amending Minnesota Statutes 1980, Section 290.34, Subdivision 2, as amended.

Referred to the Committee on Taxes and Tax Laws.

Mr. Penny introduced—

S.F. No. 2166: A bill for an act relating to taxation; providing agricultural homestead treatment to noncontiguous residence of owner of farm; amending Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Mr. Kamrath introduced—

S.F. No. 2167: A bill for an act relating to Yellow Medicine County; providing for the consolidation of the offices of county auditor and treasurer.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Menning, Renneke and Purfeerst introduced—

S.F. No. 2168: A bill for an act relating to transportation; providing for alternate bids for pavement surfacing on trunk highway construction projects; proposing new law coded in Minnesota Statutes, Chapter 161.

Referred to the Committee on Transportation.

Messrs. Peterson, R.W. and Davies introduced—

S.F. No. 2169: A bill for an act relating to legislative enactments; correcting erroneous, ambiguous, omitted and obsolete references and text; correcting miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a noncontroversial nature in the 1982 regular session and the third special session of 1981; amending Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 7, as amended.

Referred to the Committee on Rules and Administration.

Mr. Davies introduced—

S.F. No. 2170: A bill for an act relating to taxation; providing for changes in the laws relating to delinquent real estate taxes; real estate tax judgment sales and redemptions and tax forfeited land sales; amending Minnesota Statutes 1980, Sections 276.04; 279.05; 279.06; 279.14; 279.15; 279.16; 279.20; 280.01; 280.07; 280.10; 280.38; 280.385, Subdivision 1; 281.01; 281.02; 281.03; 281.05; 281.17; 281.18; 281.34; 281.36; 281.39; proposing new law coded in Minnesota Statutes, Chapters 276; 279; 280; and 281; proposing new law coded as Minnesota Statutes, Chapters 282A; 282B; 282C; 282D; and 282E; repealing Minnesota Statutes 1980, Sections 279.32; 280.001; 280.02; 280.03; 280.04; 280.05; 280.06; 280.08; 280.09; 280.11; 280.13; 280.25; 280.26; 280.27; 280.28; 280.29; 280.33; 280.35; 280.36; 280.37; 281.04; 281.13, as amended; 281.14; 281.15; 281.20; 281.21; 281.22; 281.23; 281.24; 281.26; 281.27; 281.273; 281.274; 281.275; 281.276; 281.277; 281.31; 281.32; 281.321; 281.322; 281.323; 281.324; 281.325; 281.326; 281.327; 281.33; and 281.38; and Chapter 282, as amended.

Referred to the Committee on Judiciary.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Thursday, February 25, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SEVENTY-SIXTH DAY

St. Paul, Minnesota, Thursday, February 25, 1982

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. Gerald Stoppel.

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

Ashbach	Dicklich	Kroening	Peterson, C.C.	Solon
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	Renneke	Ulland
Brataas	Johnson	Moe, D.M.	Rued	Vega
Chmielewski	Kamrath	Moe, R.D.	Schmitz	Waldorf
Dahl	Keefe	Nelson	Setzepfandt	Wegener
Davies	Knoll	Pehler	Steloff	Willet
Davis	Knutson	Penny	Sikorski	

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, Menning and Olhoft were excused from the Session of today. Mrs. Lantry was excused from the Session of today at 4:30 p.m. Mr. Purfeerst was excused from the Session of today from 11:30 a.m. to 12:30 p.m. Mrs. Stokowski was excused from the Session of today from 11:00 a.m. to 1:30 p.m.

## EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 19, 1982

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. 1151, 699 and 1408.

Sincerely,

Albert H. Quie, Governor

February 19, 1982

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 1982 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 1982	Date Filed 1982
	1732	375	February 19	February 19
699		376	February 19	February 19
1151		377	February 19	February 19
1408		378	February 19	February 19

Sincerely,

Joan Anderson Growe  
Secretary of State

### 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. 552:

H.F. No. 552: A bill for an act relating to commerce; prohibiting fraud in the use of recreational camping areas; providing a penalty; amending Minnesota Statutes 1980, Sections 327.07; and 327.14, Subdivision 8.

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

Clawson, Rice and Halberg have been appointed as such committee on the part of the House.

House File No. 552 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 24, 1982

Mr. Peterson, R.W. moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 552, 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. 492, 1726, 1751, 1849, 1166, 1848, 1746 and 2136.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 24, 1982

### FIRST READING OF HOUSE BILLS

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

H.F. No. 492: A bill for an act relating to crimes; authorizing counties to expend money for the purpose of investigating criminal activity relating to selling or receiving stolen property; proposing new law coded in Minnesota Statutes, Chapter 299C.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 480, now on General Orders.

H.F. No. 1726: A bill for an act relating to education; removing the commissioner of education from the state university board and as secretary of the board; allowing community college and state university teachers to accrue seniority credit during extended leaves of absence; amending Minnesota Statutes 1980, Sections 136.12, Subdivision 1; 136.13; and 136.88, Subdivision 5.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1741, now on General Orders.

H.F. No. 1751: A bill for an act relating to alcoholic beverages; increasing the maximum dollar value of equipment furnished to beer retailers by brewers and wholesalers; deleting obsolete language; amending Minnesota Statutes 1980, Sections 340.031, Subdivision 2; and 340.405.

Referred to the Committee on Commerce.

H.F. No. 1849: A bill for an act relating to crimes; clarifying methods of and responsibility for imposing and collecting penalty assessments; amending Minnesota Statutes 1981 Supplement, Section 609.101.

Referred to the Committee on Judiciary.

H.F. No. 1166: A bill for an act relating to metropolitan government; providing for membership on the metropolitan sports facilities commission; amending Minnesota Statutes 1980, Section 473.553.

Referred to the Committee on Local Government and Urban Affairs.

H.F. No. 1848: A bill for an act relating to Independent School District No. 699; requiring certification of statutory operating debt.

Referred to the Committee on Education.

H.F. No. 1746: A bill for an act relating to port authorities; authorizing

seaway port authorities to establish a fiscal year based on the season for international shipping through the St. Lawrence Seaway; amending Minnesota Statutes 1981 Supplement, Section 458.14.

Referred to the Committee on Local Government and Urban Affairs.

H.F. No. 2136: 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; fixing the boundaries of state parks and trails; appropriating money; amending Minnesota Statutes 1980, Sections 16.826; 85.015, Subdivisions 8 and 13; 86.72, Subdivision 1; 121.21, Subdivision 4a; proposing new law coded in Minnesota Statutes, Chapter 84.

Mr. Willet moved that H.F. No. 2136 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. Olhott from the Committee on General Legislation and Administrative Rules, to which was referred

S.F. No. 1967: A bill for an act relating to highway traffic regulations; including a person in a wheelchair within the definition of pedestrian; amending Minnesota Statutes 1980, Sections 169.01, Subdivision 24; and 169.21, Subdivision 5.

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

Page 1, after line 11, insert:

“Sec. 2. Minnesota Statutes 1980, Section 169.01, is amended by adding a subdivision to read:

*Subd. 24a. [WHEELCHAIR.] For the purposes of chapter 169 “wheelchair” is defined to include any manual or motorized wheelchair, scooter, tricycle, or similar device used by a handicapped person as a substitute for walking.”*

Page 1, line 18, after “and” insert “are accessible and”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after “Subdivision 24” insert “, and by adding a subdivision”

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

Mr. Olhott from the Committee on General Legislation and Administrative Rules, to which was referred

S.F. No. 2006: A bill for an act relating to gambling; providing an exception for certain nonprofit organizations to the annual limitation on prizes awarded

from the conduct of raffles; amending Minnesota Statutes 1980, Section 349.26, Subdivision 9, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 349.26, Subdivision 15.

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

Page 2, line 17, strike "\$35,000" and insert "\$50,000"

Page 2, after line 18, insert:

*"The county attorney of each county shall be responsible for investigating and, if appropriate, prosecuting organizations for violations of this section."*

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

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

S.F. No. 1907: A bill for an act relating to real property; requiring certification by the municipality prior to transfer by the county auditor of certain unplatted properties; proposing new law coded in Minnesota Statutes, Chapter 272.

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

Page 2, line 15, delete the comma and insert "and"

Page 2, line 15, delete "must" and insert "does not"

Page 2, line 17, before the period, insert "*the provisions of subdivision 1 shall not apply*"

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

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

S.F. No. 1758: A bill for an act relating to controlled substances; prohibiting conspiracies to violate controlled substances laws; prescribing penalties; proposing new law coded in Minnesota Statutes: 1980, Chapter 152.

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

Delete everything after the enacting clause and insert:

"Section 1. [152.095] [CONSPIRACIES PROHIBITED.]

*Subdivision 1. [PROHIBITED ACTS; PENALTIES.] Any person who conspires to commit any act prohibited by section 152.09, except possession or distribution for no remuneration of a small amount of marijuana as defined in section 152.01, subdivision 16, is guilty of a felony and upon conviction may be imprisoned, fined, or both, up to the maximum amount authorized by law for the act the person conspired to commit.*

*Subd. 2. [CONVICTION OF CO-CONSPIRATOR NOT REQUIRED.] A person liable under this section may be charged with and convicted of conspiracy although the person or persons with whom he conspired have not been convicted or have been convicted of some other crime based on the same act.*

Sec. 2. Minnesota Statutes 1980, Section 609.485, Subdivision 3, is amended to read:

Subd. 3. [EXCEPTIONS.] This section does not apply to a person who is free on bail or who is on parole or probation, or subject to a stayed sentence or stayed execution of sentence, unless he (1) has been taken into actual custody upon revocation of the parole, probation, or stay of the sentence or execution of sentence, or (2) is in custody in a county jail or workhouse as a condition of a stayed sentence."

Amend the title as follows:

Page 1, line 2, delete "controlled substances" and insert "crimes"

Page 1, line 3, after the semicolon, insert "clarifying the crime of escape from jail;"

Page 1, line 4, after the semicolon, insert "amending Minnesota Statutes 1980, Section 609.485, Subdivision 3;"

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

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

S.F. No. 1336: A bill for an act relating to financial institutions; redefining "contract for deed" to include sales of residential units situated upon real property subject to a lease held by the seller; amending Minnesota Statutes 1980, Section 47.20, Subdivision 2.

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

Pages 1 to 5, delete section 1 and insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 2, is amended to read:

Subd. 2. For the purposes of this section the terms defined in this subdivision have the meanings given them:

(1) "Actual closing costs" mean reasonable charges for or sums paid for the following, whether or not retained by the mortgagee or lender:

(a) Any insurance premiums including but not limited to premiums for title insurance, fire and extended coverage insurance, flood insurance, and private mortgage insurance, but excluding any charges or sums retained by the mortgagee or lender as self-insured retention.

(b) Abstracting, title examination and search, and examination of public records.

(c) The preparation and recording of any or all documents required by law or custom for closing a conventional or cooperative apartment loan.

(d) Appraisal and survey of real property securing a conventional loan or real property owned by a cooperative apartment corporation of which a share or shares of stock or a membership certificate or certificates are to secure a cooperative apartment loan.

(e) A single service charge, which includes any consideration, not otherwise

specified herein as an "actual closing cost" paid by the borrower and received and retained by the lender for or related to the acquisition, making, refinancing or modification of a conventional or cooperative apartment loan, and ~~also includes~~ any consideration received by the lender for making a borrower's interest rate commitment or for making a borrower's loan commitment, whether or not an actual loan follows the commitment. The term service charge ~~does not include~~ *excludes* forward commitment fees. The service charge shall not exceed one percent of the original bona fide principal amount of the conventional or cooperative apartment loan, except that in the case of a construction loan, the service charge shall not exceed two percent of the original bona fide principal amount of the loan. That portion of the service charge imposed because the loan is a construction loan shall be itemized and a copy of the itemization furnished the borrower. A lender shall not collect from a borrower the additional one percent service charge permitted for a construction loan if it does not perform the service for which the charge is imposed or if third parties perform and charge the borrower for the service for which the lender has imposed the charge.

(f) Charges and fees necessary for or related to the transfer of real or personal property securing a conventional or cooperative apartment loan or the closing of a conventional or cooperative apartment loan paid by the borrower and received by any party other than the lender.

(2) "Contract for deed" means an executory contract for the conveyance of real estate, *or a bill of sale for the sale of a mobile home used as a residence by the seller*, the original principal amount of which is less than \$100,000. A commitment for a contract for deed shall include an executed purchase agreement or earnest money contract ~~wherein in which~~ the seller agrees to finance any part or all of the purchase price by a contract for deed.

(3) "Conventional loan" means a loan or advance of credit, other than a loan or advance of credit made by a credit union or made pursuant to section 334.011, to a noncorporate borrower in an original principal amount of less than \$100,000, secured by a mortgage upon real property containing one or more residential units or upon which at the time the loan is made it is intended that one or more residential units are to be constructed, and which is not insured or guaranteed by the secretary of housing and urban development, by the administrator of veterans affairs, or by the administrator of the farmers home administration, and which is not made pursuant to the authority granted in subdivision 1, clause (3) or (4). The term mortgage ~~does not include~~ *excludes* contracts for deed or installment land contracts.

(4) "Cooperative apartment loan" means a loan or advance of credit, other than a loan or advance of credit made by a credit union or made pursuant to section 334.011, to a noncorporate borrower in an original principal amount of less than \$100,000, secured by a security interest on a share or shares of stock or a membership certificate or certificates issued to a stockholder or member by a cooperative apartment corporation, which may be accompanied by an assignment by way of security of the borrower's interest in the proprietary lease or occupancy agreement in property issued by the cooperative apartment corporation and which is not insured or guaranteed by the secretary of housing and urban development, by the administrator of veterans affairs, or by the administrator of the farmers home administration.

(5) "Cooperative apartment corporation" means a corporation or associa-

tion organized under sections 308.05 to 308.18 or chapter 317, the shareholders or members of which are entitled, solely by reason of their ownership of stock or membership certificates in the corporation or association, to occupy one or more residential units in a building owned or leased by the corporation or association.

(6) "Forward commitment fee" means a fee or other consideration paid to a lender for the purpose of securing a binding forward commitment by or through the lender to make conventional loans to two or more credit worthy purchasers, including future purchasers, of residential units, or a fee or other consideration paid to a lender for the purpose of securing a binding forward commitment by or through the lender to make conventional loans to two or more credit worthy purchasers, including future purchasers, of apartments as defined in section 515.02 to be created out of existing structures pursuant to the Minnesota condominium act, or a fee or other consideration paid to a lender for the purpose of securing a binding forward commitment by or through the lender to make cooperative apartment loans to two or more credit worthy purchasers, including future purchasers, of a share or shares of stock or a membership certificate or certificates in a cooperative apartment corporation; provided, that the forward commitment rate of interest does not exceed the maximum lawful rate of interest effective as of the date the forward commitment is issued by the lender.

(7) "Borrower's interest rate commitment" means a binding commitment made by a lender to a borrower ~~wherein~~ *in which* the lender agrees that, if a conventional or cooperative apartment loan is made following issuance of and pursuant to the commitment, the conventional or cooperative apartment loan shall be made at a rate of interest not in excess of the rate of interest agreed to in the commitment, provided that the rate of interest agreed to in the commitment is not in excess of the maximum lawful rate of interest effective as of the date the commitment is issued by the lender to the borrower.

(8) "Borrower's loan commitment" means a binding commitment made by a lender to a borrower ~~wherein~~ *in which* the lender agrees to make a conventional or cooperative apartment loan pursuant to the provisions, including the interest rate, of the commitment, provided that the commitment rate of interest does not exceed the maximum lawful rate of interest effective as of the date the commitment is issued and the commitment when issued and agreed to ~~shall constitute~~ *constitutes* a legally binding obligation on the part of the mortgagee or lender to make a conventional or cooperative apartment loan within a specified time period in the future at a rate of interest not exceeding the maximum lawful rate of interest effective as of the date the commitment is issued by the lender to the borrower; provided that a lender who issues a borrower's loan commitment pursuant to the provisions of a forward commitment is authorized to issue the borrower's loan commitment at a rate of interest not to exceed the maximum lawful rate of interest effective as of the date the forward commitment is issued by the lender.

(9) "Finance charge" means the total cost of a conventional or cooperative apartment loan including extensions or grant of credit regardless of the characterization of the same and includes interest, finders fees, and other charges levied by a lender directly or indirectly against the person obtaining the conventional or cooperative apartment loan or against a seller of real property securing a conventional loan or a seller of a share or shares of stock or a

membership certificate or certificates in a cooperative apartment corporation securing a cooperative apartment loan, or any other party to the transaction except any actual closing costs and any forward commitment fee. The finance charges plus the actual closing costs and any forward commitment fee, charged by a lender shall include all charges made by a lender other than the principal of the conventional or cooperative apartment loan. The finance charge, with respect to wraparound mortgages, shall be computed based upon the face amount of the wraparound mortgage note, which face amount shall consist of the aggregate of those funds actually advanced by the wraparound lender and the total outstanding principal balances of the prior note or notes which have been made a part of the wraparound mortgage note.

(10) "Lender" means any person making a conventional or cooperative apartment loan, or any person arranging financing for a conventional or cooperative apartment loan. The term also includes the holder or assignee at any time of a conventional or cooperative apartment loan.

(11) "Loan yield" means the annual rate of return obtained by a lender over the term of a conventional or cooperative apartment loan and shall be computed as the annual percentage rate as computed in accordance with sections 226.5 (b), (c) and (d) of Regulation Z, 12 C.F.R. section 226, but using the definition of finance charge provided for in this subdivision. For purposes of this section, with respect to wraparound mortgages, the rate of interest or loan yield shall be based upon the principal balance set forth in the wraparound note and mortgage and shall not include any interest differential or yield differential between the stated interest rate on the wraparound mortgage and the stated interest rate on the one or more prior mortgages included in the stated loan amount on a wraparound note and mortgage.

(12) "Monthly index of the federal national mortgage association auction yields" means the gross weighted average yield of accepted offers in the second free market system conventional home mortgage auction held by the federal national mortgage association in a month.

(13) "Person" means an individual, corporation, business trust, partnership or association or any other legal entity.

(14) "Residential unit" means any structure used principally for residential purposes or any portion thereof of it, and includes a unit in a townhouse or planned unit development, a condominium apartment, a non-owner occupied residence, and any other type of residence regardless of whether the unit is used as a principal residence, secondary residence, vacation residence or residence of some other denomination.

(15) "Vendor" means any person or persons who agree to sell real estate, or a mobile home used as a residence by the seller, and finance any part or all of the purchase price by a contract for deed. The term also includes the holder or assignee at any time of the vendor's interest in a contract for deed."

Amend the title as follows:

Page 1, line 3, delete "residential" and insert "mobile homes used as a residence"

Page 1, delete line 4

Page 1, line 5, delete "held"

Page 1, line 5, delete "1980" and insert "1981 Supplement"

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

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

S.F. No. 2121: A bill for an act relating to Olmsted County; allowing the county recorder to extend credit for the payment of charges.

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

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

S.F. No. 2042: A bill for an act relating to Ramsey County; permitting the county to establish a small business set-aside program.

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

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

S.F. No. 1902: A bill for an act relating to the city of Hibbing; providing for the size of the Hibbing public utilities commission.

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

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

S.F. No. 2139: A bill for an act relating to Lake County; providing conditions for the issuance of bonds for a county jail.

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

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

S.F. No. 2046: A bill for an act relating to local government; permitting the city of Bloomington to acquire court facilities; authorizing the issuance of bonds for them subject to referendum; allowing for long-term lease arrangements with Hennepin county.

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

Page 2, after line 18, insert:

"Sec. 4. [RELOCATION OF MUNICIPAL COURT.]

*Notwithstanding the provisions of Minnesota Statutes, Section 488A.01, Subdivision 9, the county of Hennepin may relocate the municipal court serving the city of Bloomington and thereupon shall provide suitable quarters for the holding of regular terms of court in a southern suburban location within the county as may be designated by a majority of the judges of the court. All*



*functions of the court may be discharged, including both court and jury trials of civil and criminal matters, at the location designated pursuant to this section. Nothing in this section shall be construed to reduce the level of services to the residents of the city of Bloomington."*

Page 2, line 20, delete ", 2 and 3" and insert "to 4"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, before the period, insert "; permitting the relocation of the municipal court serving the city of Bloomington"

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

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

S.F. No. 1078: A bill for an act relating to game and fish; expanding the list of counties in which the use of snowmobiles may be authorized in connection with taking beaver or otter; amending Minnesota Statutes 1980, Section 100.29, Subdivision 30.

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

Page 1, line 24, after "vehicle" insert "in any county"

Page 1, line 25, strike "in"

Page 1, line 25, delete "Kittson, Roseau,"

Page 1, delete line 26

Page 2, line 1, delete the new language and strike "Lake"

Page 2, line 2, strike everything before the period

Amend the title as follows:

Page 1, line 2, delete "expanding the list of"

Page 1, line 3, delete "counties in which" and insert "allowing the commissioner of natural resources to authorize"

Page 1, line 3, delete "may be"

Page 1, line 4, delete "authorized"

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

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

S.F. No. 2048: A bill for an act relating to state parks; restating the boundaries of Tower Soudan state park; authorizing conveyance of certain park lands.

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

Mr. Merriam from the Committee on Agriculture and Natural Resources, to

which was referred

S.F. No. 1631: A bill for an act relating to the Red River watershed; naming all counties in which the special taxing authority of certain watershed districts applies; amending Laws 1976, Chapter 162, Section 1.

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

Page 1, line 17, strike "the 1974 edition of"

Page 1, line 22, strike "the 1974 edition of"

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

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

S.F. No. 1890: A bill for an act relating to real property; providing for the modification and extension of contracts for deed; proposing new law coded in Minnesota Statutes, Chapter 508.

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

Page 1, line 9, before "an" insert "a renegotiated contract for deed or"

Page 1, line 10, after "deed" insert "which was valid at its inception"

Page 1, after line 13, insert:

"Sec. 2. Minnesota Statutes 1980, Section 559.21, Subdivision 1, is amended to read:

Subdivision 1. [DEFAULT; TERMINATION.] When default is made in the conditions of any contract for the conveyance of real estate or any interest ~~therein~~ *in it* executed *after July 30, 1976, and* prior to May 1, 1980, whereby the vendor has a right to terminate ~~the same~~ *it*, he may do so by serving upon the purchaser, his personal representatives or assigns, either within or without the state, a notice specifying the conditions in which default has been made, and stating that the contract will terminate (1) 30 days after the service of the notice if the purchaser has paid less than 30 percent of the purchase price, exclusive of interest ~~thereon~~ *on it*, and any mortgages or prior contracts for deed which are assumed by the purchaser, (2) 45 days after service of the notice if the purchaser has paid 30 percent, or more, but less than 50 percent of the purchase price, exclusive of interest ~~thereon~~ *on it*, and any mortgages or prior contracts for deed which are assumed by the purchaser, (3) 60 days after service of the notice if the purchaser has paid 50 percent, or more, of the purchase price, exclusive of interest ~~thereon~~ *on it*, and any mortgages or prior contracts for deed which are assumed by the purchaser, unless prior thereto the purchaser complies with the conditions and pays the costs of service, the mortgage registration tax, if actually paid by the vendor, together with an amount to apply on attorneys' fees actually expended or incurred, of \$75 when the amount in default is less than \$750, and of \$200 when the amount in default is \$750 or more; provided, however, that no amount is required to be paid for attorneys' fees as provided hereunder, unless some part of the conditions of default has existed at least 45 days prior to the date of service of the notice.

Sec. 3. Minnesota Statutes 1980, Section 559.21, is amended by adding a

subdivision to read:

*Subd. 1a. [DEFAULT; TERMINATION.] When default is made in the conditions of any contract for the conveyance of real estate or any interest in it, executed prior to August 1, 1976, whereby the vendor has a right to terminate it, he may do so by serving upon the purchaser, his personal representatives or assigns, either within or without the state, a notice specifying the conditions in which default has been made, and stating that the contract will terminate 30 days after the service of the notice unless prior thereto the purchaser complies with the conditions and pays the costs of service, together with an amount to apply on attorneys' fees actually expended or incurred, of \$50 when the amount in default is less than \$500, and of \$100 when the amount in default is \$500 or more; provided, however, that no amount shall be required to be paid for attorneys' fees as provided hereunder, unless some part of the conditions of default shall have existed at least 45 days prior to the date of service of the notice. The notice must be given notwithstanding any provisions in the contract to the contrary, and shall be served within the state in the same manner as a summons in the district court, without the state, in the same manner, and without securing any sheriff's return of not found, making any preliminary affidavit, mailing a copy of the notice or doing any other preliminary act or thing whatsoever. Service of the notice without the state may be proved by the affidavit of the person making it, made before an authorized officer having a seal, and within the state by an affidavit or by the return of the sheriff of any county.*

#### Sec. 4. [EFFECTIVE DATE.]

*Section 1 is curative and is effective the day after final enactment as to all modifications and renegotiations occurring before, on, or after that date."*

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing dates for applicable laws relating to termination of contracts; amending Minnesota Statutes 1980, Section 559.21, Subdivision 1, and by adding a subdivision;"

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

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

S.F. No. 2035: A bill for an act relating to victim reparation for wrongful death; a clarification of the time limitations for maintaining an action for death by intentional wrongful act where the act causing the death constitutes the crime of murder; amending Minnesota Statutes 1980, Section 573.02, Subdivision 1.

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

Page 1, line 12, after "1." insert "[ACTION; LIMITATIONS.]"

Page 1, line 22, delete everything after "death"

Page 1, line 23, delete "murder" and insert "for which a defendant has been convicted under section 609.185, 609.19, or 609.195"

Page 1, line 23, delete "after the death of the"

Page 1, line 24, delete "*decedent*."

Page 2, line 21, delete "*, notwithstanding section 645.21,*"

Page 2, line 21, delete "*death or*"

Page 2, line 22, delete "*which resulted from*" and insert "*or thereafter*"

Page 2, delete lines 23 to 25

Page 2, line 26, delete "*entered*"

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

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

S.F. No. 1170: A bill for an act relating to tort claims against the state; clarifying existing law; amending Minnesota Statutes 1980, Sections 3.732, Subdivisions 1, 2, and 3; 3.736, Subdivisions 1, 3, 4, 5, 7, 8, 9, and by adding subdivisions; 3.755; and 3.84.

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 3.732, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section and section 3.736 the terms defined in this ~~section~~ *subdivision* have the meanings given them.

(1) "*State*" or "*state agency*" includes each of the departments, boards, agencies, commissions and officers ~~in the executive branch~~ of the state of Minnesota and includes but is not limited to the Minnesota Housing Finance Agency, the Minnesota Higher Education Coordinating Board, the Minnesota Higher Education Facilities Authority, the Armory Building Commission, the State Zoological Board, the University of Minnesota, state universities, community colleges, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "*Employee of the state*" means all present or former officers, members, directors or employees of the state, members of the national guard, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation, but *only insofar as those persons are acting within the scope of their office or employment as defined herein. This term does not include an independent contractor.*

(3) "*Scope of his office or employment*" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned to him by competent authority. *Whether a state employee was acting "within the scope of his office or employment" shall be determined by application of the common law.*

Sec. 2. Minnesota Statutes 1980, Section 3.732, Subdivision 2, is amended to read:

Subd. 2. [ADJUSTMENT OF SMALL CLAIMS.] The head of each de-

partment or agency of the state, or his designee, *with the approval of the attorney general acting on behalf of the state*, shall attempt to determine, adjust and settle, at any time, any claim for money damages of ~~\$2,500~~ \$500 or less ~~against the state for injury to or loss of property or personal injury or death caused by an act or omission of any employee of the state while acting within the scope of his office or employment, under circumstances where the state, if a private person, would be liable to the claimant for which the state or its employees could be liable under this chapter, on terms as he deems appropriate.~~ Any ~~such~~ settlement shall be final and conclusive ~~on all officers of the state, except where procured by fraud.~~ The acceptance by the claimant of any ~~such~~ settlement shall be final and conclusive on the claimant and shall constitute a complete release of any claim against the state and against the employee of the state whose act or omission gave rise to the claim, by reason of the same subject matter. *Settlements pursuant to this subdivision shall not be subject to the provisions of section 3.736, subdivision 7.*

*The claims may be paid, with the approval of the attorney general, based upon the written statement of the claimant or a state employee setting forth the reasons why the state is or may be liable, the identity and address of the claimant, and the amount to be paid, in lieu of a more formal release.*

Sec. 3. Minnesota Statutes 1980, Section 3.732, Subdivision 3, is amended to read:

Subd. 3. [FORM.] No settlement ~~made under the provisions of this section for an amount in excess of \$500~~ shall be valid unless it is supported by a claim in writing, and is approved in writing by the attorney general as to its form and legality. The claim shall be in ~~such~~ *the form as prescribed by the attorney general may prescribe.*

Sec. 4. Minnesota Statutes 1980, Section 3.736, Subdivision 1, is amended to read:

Subdivision 1. [GENERAL RULE.] The state will pay compensation for injury to or loss of property or personal injury or death caused by an act or omission of any employee of the state while acting within the scope of his office or employment, under circumstances where the state, if a private person, would be liable to the claimant, *except as herein provided.*

Sec. 5. Minnesota Statutes 1980, Section 3.736, Subdivision 3, is amended to read:

Subd. 3. [EXCLUSIONS.] Without intent to preclude the courts from finding additional cases where the state and its employees should not, in equity and good conscience, pay compensation for personal injuries or property losses, the legislature declares that the state and its employees are not liable for the following losses:

(a) Any loss caused by an act or omission of a state employee exercising due care in the execution of *and in good faith reliance upon* a valid or invalid statute ~~or~~, regulation, rule or order of a court or other competent authority;

(b) Any loss caused by the performance or failure to perform a discretionary duty, whether or not the discretion is abused;

(c) Any loss in connection with the assessment and collection of taxes or fees;

(d) Any loss caused by snow ~~or~~ ice or weather conditions, or other temporary natural conditions on any ~~highway~~ public way or other public place, except when the condition is affirmatively caused by the negligent acts of a state employee;

(e) Any loss caused by wild animals substantially in their natural state, except for crop losses within the borders of a state wildlife refuge caused by unnatural concentrations of migratory waterfowl;

(f) Any loss other than injury to or loss of property or personal injury or death;

(g) Any loss caused by the condition of or failure to warn of the condition of, or the failure to restrict access to, unimproved real property owned or controlled by the state, which means land that the state has not improved, and appurtenances, fixtures and attachments to and temporary or permanent structures upon land that the state has neither affixed nor improved, unless the structures, attachments, or fixtures are opened to the public or used by the state, and includes, but is not limited to any natural condition of any lake, stream, bay, river or beach;

(h) Any loss arising from the construction, operation, or maintenance of the outdoor recreation system, as defined in section 86A.04, or from the clearing of land, removal of refuse, and creation of trails or paths without artificial surfaces, except that the state is liable for conduct that would entitle a trespasser to damages against a private person-;

(i) Any loss of benefits or compensation due under a program of public assistance or public welfare, except where state compensation for loss is expressly required by federal law in order for the state to receive federal grants-in-aid;

(j) Any loss based on the failure of any person to meet the standards needed for a license, permit, or other authorization issued by the state or its agents caused by the issuance, denial, suspension or revocation of, or by the failure or refusal to issue, deny, suspend, or revoke, any permit, license, certificate, approval, order or similar authorization, except for tort claims brought by the person regulated;

(k) Any loss based on the usual care and treatment, or lack of care and treatment, of any person at a state hospital or state corrections facility where reasonable use of available appropriations has been made to provide care;

(l) Any loss, damage, or destruction of property of a patient or inmate of a state institution-;

~~The state will not pay punitive damages-~~

(m) Any loss resulting from a judicial, legislative, quasi-judicial or quasi-legislative action of the state or its employees;

(n) Any loss resulting from the performance of, or the failure to perform an inspection, regulatory or enforcement activity where the primary cause of the loss was the failure of another to comply with applicable laws, codes or regulations;

(o) Any loss resulting from the parole or release of an inmate, the terms and conditions of his parole or release or from the revocation of his parole or

*release or the failure to revoke, regulate or supervise the parole or release;*

*(p) Any loss caused by a prisoner or patient to any other prisoner or patient;*

*(q) Any loss resulting from a good faith determination of: whether to confine a person for mental illness, mental deficiency or drug dependence; the terms and conditions of the confinement; or whether to parole, grant a leave of absence or home visit to or release a person from confinement for mental illness, mental deficiency or drug dependence.*

Sec. 6. Minnesota Statutes 1980, Section 3.736, is amended by adding a subdivision to read:

*Subd. 3a. [PUNITIVE DAMAGES.] The state is not obligated to pay any punitive damages.*

Sec. 7. Minnesota Statutes 1980, Section 3.736, Subdivision 4, is amended to read:

*Subd. 4. [LIMITS.] The total liability of the state and its employees acting within the scope of their employment on any tort claim shall not exceed:*

*(a) ~~\$100,000~~ \$200,000 when the claim is one for death by wrongful act or omission and ~~\$100,000~~ \$200,000 to any claimant in any other case.*

*(b) ~~\$500,000~~ \$600,000 for any number of claims arising out of a single occurrence. If the amount awarded to or settled upon multiple claimants exceeds ~~\$500,000~~ \$600,000, any party may apply to any district court to apportion to each claimant his proper share of the ~~\$500,000~~ \$600,000. The share apportioned each claimant shall be in the proportion that the ratio of the award or settlement made to him bears to the aggregate awards and settlements for all claims arising out of the occurrence. *If the attorney general determines that the claims of multiple claimants are likely to result in total judgments exceeding \$600,000, he may commence an action in district court asking that the respective rights of the claimants be determined, but the state need make no payment into court, or to any claimant, prior to judgment or proof satisfactory to the attorney general that the claimants have all agreed to an apportionment of the moneys, nor shall the state, in those circumstances, be liable for costs, disbursements, attorneys fees or interest accruing prior to the judgment or agreement of the attorney general to liability.**

The limitation imposed by this subdivision on individual claimants includes damages claimed for loss of services or loss of support arising out of the same tort, *and all claims of any kind resulting or derived from injury to another who is, has been or could be a claimant.*

Sec. 8. Minnesota Statutes 1980, Section 3.736, Subdivision 5, is amended to read:

*Subd. 5. [NOTICE REQUIRED.] Except as provided in subdivision 6, every person, whether plaintiff, defendant or third party plaintiff or defendant, who claims compensation from the state or a state employee acting within the scope of his employment for or on account of any loss or injury shall present to the attorney general of the state or, in the case of a claim against the university of Minnesota, to the person designated by the regents of the university as the university attorney, and any state employee from whom the claimant will seek compensation, if known, within 180 days after the alleged loss or injury is*

discovered, a notice stating the time, place and circumstances ~~thereof of it~~, the names of any state employees known to be involved, and the amount of compensation or other relief demanded. Actual notice of sufficient facts to reasonably put the state or its insurer on notice of a possible claim complies with the notice requirements of this section. Failure to state the amount of compensation or other relief demanded does not invalidate the notice, ~~but~~. The claimant shall furnish full information ~~available regarding the nature and extent of the injuries and damages within 15 days after demand by the state concerning the claim as requested by the attorney general~~. The time for giving the notice does not include the time during which the person injured is incapacitated by the injury from giving the notice.

Sec. 9. Minnesota Statutes 1980, Section 3.736, Subdivision 7, is amended to read:

Subd. 7. [PAYMENT.] A state agency, ~~including any entity defined as part of the state in section 3.732, subdivision 1, clause (1)~~, incurring a tort claim judgment or settlement obligation or whose employees acting within the scope of their *office or* employment incur the obligation shall seek approval to make payment by submitting a written request to the commissioner of finance. The request shall contain a description of the tort claim precipitating the request, specify the amount of the obligation and be accompanied by copies of judgments, settlement agreements or other documentation relevant to the obligation for which the agency is seeking payment. Upon receipt of the request and review of the claim, the commissioner of finance shall determine the proper appropriation from which to make payment. If there is sufficient money in an appropriation or combination of appropriations to the agency for its general operations and management to allow the claim to be paid from that source without unduly hindering the operation of the agency, the commissioner shall direct that payment be made from that source. Claims relating to activities paid for by appropriations of dedicated receipts shall be paid from those appropriations if practicable. ~~If the commissioner determines that an agency has sufficient money in these appropriations to pay only part of a claim, the commissioner shall pay the remainder of the claim from the money appropriated to him for this purpose.~~ If the commissioner determines that the agency does not have sufficient money to pay *all or* any part of the claim, the commissioner shall pay *all or the unpaid portion* of the claim from money appropriated to him for this purpose. On January 1 and July 1 of each year, the commissioner of finance shall transmit to the legislature and to the chairmen of the house appropriations and senate finance committees copies of all requests in the preceding six months together with a report on the payments made with respect to each request. Payment shall be made only upon receipt of a written release by the claimant in a form approved by the attorney general, or the person designated as the university attorney, as the case may be.

*No attachment or execution shall issue against the state, its agencies or employees for any judgment for which the state is responsible pursuant to sections 3.732 to 3.738, nor shall any judgment constitute a lien against the property of the state, its agencies, officers or employees, or be a defect in the title to the property.*

Sec. 10. Minnesota Statutes 1980, Section 3.736, Subdivision 8, is amended to read:

Subd. 8. [LIABILITY INSURANCE.] A state agency, ~~including any entity~~



defined as a part of the state in section 3.732, subdivision 1, clause (1), may procure insurance against liability of the agency and its employees for damages resulting from the torts of the agency and its employees. The procurement of this insurance constitutes a waiver of the defense of governmental immunity to the extent of the liability stated in the policy but has no effect on the liability of the agency and its employees beyond the coverage so provided. *When liability insurance is obtained by the state or a state agency, the coverage provided shall be in lieu of the coverage provided by this chapter. When a state employee personally obtains insurance purporting to cover actions also covered by sections 3.732 to 3.738, the insurance shall be construed to provide coverage in addition to the coverage provided by sections 3.732 to 3.738, to the extent of the limits of the policy. An insurer for the state or one of its employees shall be entitled to raise or cause to be raised, any of the provisions, exclusions, immunities or limitations which could be raised by the state. However, the monetary limitations on liability are waived to the extent of the coverage provided by the policy. The state may settle or compromise its liability and that of its employees including a privately insured employee as provided in sections 3.732 to 3.738 without affecting the obligation of an insurer to defend and indemnify a privately insured state employee for claims and suits arising from the same incident.*

Sec. 11. Minnesota Statutes 1980, Section 3.736, Subdivision 9, is amended to read:

Subd. 9. [INDEMNIFICATION.] The state of Minnesota shall defend, save harmless, and indemnify any employee of the state against expenses, attorneys' fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by the employee of the state in connection with any tort claim or demand, or expenses, attorneys' fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by the employee of the state in connection with any claim or demand arising from the issuance and sale of any securities by the state, whether groundless or otherwise, arising out of an alleged act or omission occurring heretofore or hereafter during his period of employment if the employee provides complete disclosure and cooperation in the defense of the claim or demand and if the employee was acting within the scope of his employment. Except for elected employees, an employee of the state shall be conclusively presumed to have been acting within the scope of his employment if the employee's appointing authority issues a certificate to that effect. This determination may be overruled by the attorney general. The determination of whether an employee of the state was acting within the scope of his employment shall be a question of fact to be determined by the trier of fact based upon the circumstances of each case (i) in the absence of a certification, (ii) if a certification is overruled by the attorney general, (iii) if an unfavorable certification is made, or (iv) with respect to an elected official. The absence of the certification or an unfavorable certification shall not be evidence relevant to such a the determination. It is the express intent of this provision to defend, save harmless, and indemnify any employee of the state against the full amount of any final judgment rendered by a court of competent jurisdiction arising from a claim or demand described herein, regardless of whether the limitations on liability specified in subdivision 4 or 4a hereof are, for any reason, found to be inapplicable. This subdivision does not apply in case of malfeasance in office or willful or wanton actions or neglect of duty shall not apply to an officer or employee whose liability was incurred because of actions outside the scope of his office or employment.

Sec. 12. Minnesota Statutes 1980, Section 3.736, is amended by adding a

subdivision to read:

*Subd. 12. [CONSTRUCTION.] Nothing herein shall constitute consent by the state of Minnesota to be sued in the courts of the United States, nor in any way to waive the protection of the Eleventh Amendment to the Constitution of the United States.*

Sec. 13. Minnesota Statutes 1980, Section 3.755, is amended to read:

3.755 [DAMAGE BY ESCAPING INMATES.]

~~The department of corrections and the department of public welfare are directed to pay all claims involving property damage, not covered by insurance, resulting from actions of escaping inmates or runaway patients occurring while perfecting their escape, provided that the departments have verified the reasonableness of the amounts claimed.~~ Upon the approval of the commissioner of public welfare or the commissioner of corrections as to the institutions under their respective control, the superintendent or chief executive officer of ~~any such~~ the institution may pay out of the current expense appropriation of the institution to any employee ~~thereof~~ of it the amount of any property damage sustained by the employee, not in excess of \$250, by reason or as a result of action of any patient or inmate of the institution.

Sec. 14. Minnesota Statutes 1980, Section 3.84, is amended to read:

3.84 [MISDEMEANOR PENALTIES.]

A person who knowingly and wilfully presents, or attempts to present, a false or fraudulent claim; or a state ~~officer~~ employee who knowingly and wilfully participates, or assists, in the preparation or presentation of a false or fraudulent claim is guilty of a misdemeanor. If a ~~person~~ state employee is convicted of ~~such~~ this offense is a state ~~officer~~, he also forfeits his office. *This section shall not be construed to prevent a felony or misdemeanor prosecution under any other provision of law.*

Sec. 15. Minnesota Statutes 1980, Section 275.125, Subdivision 4, is amended to read:

Subd. 4. [ADDITIONAL LEVIES.] A school district may levy the amounts necessary to make payments for bonds issued and for interest ~~thereon on them~~, including the bonds and interest ~~thereon on them~~, issued as authorized by section 275.125, subdivision 3, clause (7) (C), as it read in Minnesota Statutes 1974; the amounts necessary for repayment of debt service loans and capital loans; the amounts necessary to pay the district's obligations under section 6.62; the amount authorized for liabilities of dissolved districts pursuant to section 122.45; the amounts necessary to pay the district's obligations under section 268.06, subdivision 25; the amounts necessary to pay the district's obligations under section 127.05; *the amounts necessary to pay the district's insurance premium costs under section 466.06*; the amounts authorized by section 122.531; and the amounts necessary to pay the district's obligations under section 122.533.

Sec. 16. Minnesota Statutes 1980, Section 466.04, Subdivision 1, is amended to read:

Subdivision 1. [LIMITS; PUNITIVE DAMAGES.] Liability of any municipality on any claim within the scope of sections 466.01 to 466.15 shall not

exceed

(a) ~~\$100,000~~ \$200,000 when the claim is one for death by wrongful act or omission and ~~\$100,000~~ \$200,000 to any claimant in any other case;

(b) ~~\$300,000~~ \$600,000 for any number of claims arising out of a single occurrence.

No award *against any municipality* for damages on any ~~such~~ claim shall include punitive damages.

Sec. 17. Minnesota Statutes 1980, Section 466.04, Subdivision 3, is amended to read:

Subd. 3. [DISPOSITION OF MULTIPLE CLAIMS.] Where the amount awarded to or settled upon multiple claimants exceeds ~~\$300,000~~ \$600,000, any party may apply to any district court to apportion to each claimant his proper share of the total amount limited by subdivision 1. The share apportioned each claimant shall be in the proportion that the ratio of the award or settlement made to him bears to the aggregate awards and settlements for all claims arising out of the occurrence.

Sec. 18. Minnesota Statutes 1980, Section 466.06, is amended to read:

#### 466.06 [LIABILITY INSURANCE.]

The governing body of any municipality may procure insurance against liability of the municipality and its officers, employees, and agents for damages resulting from its torts and those of its officers, employees, and agents, including torts specified in section 466.03 for which the municipality is immune from liability; and ~~such the~~ insurance may provide protection in excess of the limit of liability imposed by section 466.04. If the municipality has the authority to levy taxes, the premium costs for ~~such the~~ insurance may be levied in excess of any per capita or millage tax limitation imposed by statute or charter; ~~provided, a school district may not levy for premium costs pursuant to this section.~~ Any independent board or commission in the municipality having authority to disburse funds for a particular municipal function without approval of the governing body may similarly procure liability insurance with respect to the field of its operation. The procurement of ~~such the~~ insurance constitutes a waiver of the defense of governmental immunity to the extent of the liability stated in the policy but has no effect on the liability of the municipality beyond the coverage so provided.

Sec. 19. [EFFECTIVE DATE.]

*Sections 15 and 18 of this act are effective the day after final enactment. The remaining sections of this act are effective on and apply to all claims arising from injuries or losses which occur on or after January 1, 1983.*

Delete the title and insert:

“A bill for an act relating to tort claims against the state and political subdivisions; specifying liability; raising liability limits; clarifying existing law; amending Minnesota Statutes 1980, Sections 3.732, Subdivisions 1, 2, and 3; 3.736, Subdivisions 1, 3, 4, 5, 7, 8, 9, and by adding subdivisions; 3.755; 3.84; 275.125, Subdivision 4; 466.04, Subdivisions 1 and 3; and 466.06.”

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

adopted.

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

S.F. No. 1996: A bill for an act relating to Polk County; authorizing the county to establish subordinate service areas to provide and finance governmental services.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Report adopted.

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

S.F. No. 2117: A bill for an act relating to local government; providing for the economic development of University Avenue in the cities of Minneapolis and St. Paul; creating an authority to develop and implement transit, housing, and economic development projects; authorizing bonding; providing for a tax levy, special assessments, and eminent domain; appropriating money.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Report adopted.

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

S.F. No. 1819: A bill for an act relating to partition fences; exempting certain lands from the provisions of chapter 344; providing that when only one owner or occupant is benefited by a fence he shall be assigned the entire expenses of the fence; amending Minnesota Statutes 1980, Section 344.03, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 344.

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

Delete everything after the enacting clause and insert:

“Section 1. [344.011] [APPLICATION.]

*This chapter applies only when the land of the adjoining owners or occupants considered together is in excess of 20 acres.*

Sec. 2. [344.20] [TOWN OPTION.]

*The town board of a town may adopt its own policy and procedures for dealing with partition fences, including enforcement procedures, in which case this chapter does not apply in that town.*

*The town board may adopt a partition fence policy for a town only after eight or more freeholders in the town have petitioned the town board for a vote on the adoption of a policy and the policy is approved by the electors of the town at an annual or special town meeting.*

*This chapter applies to any partition fence lying on the boundary between a town which has adopted its own partition fence policy and any other political subdivision unless the other political subdivision is a town which has adopted a similar policy.”*

Amend the title as follows:

Page 1, line 3, delete "providing that"

Page 1, delete lines 4 to 6

Page 1, line 7, delete "344.03, Subdivision 1;"

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

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

S.F. No. 2051: A bill for an act relating to rural development; changing the purposes of rural development financing authorities; amending Minnesota Statutes 1980, Section 362A.01, Subdivision 2.

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

Page 2, after line 28, insert:

"Sec. 2. Minnesota Statutes 1981 Supplement, Section 362.50, Subdivision 5, is amended to read:

Subd. 5. "Eligible small business" for the purpose of section 362.52, subdivision 5, means a business entity organized for profit, including but not limited to any individual, partnership, corporation, joint venture, association or cooperative, which entity:

(a) Has 20 or fewer full time employees or not more than the equivalent of \$1,000,000 in annual gross revenues in the preceding fiscal year; and

(b) Is not at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in its field of operation. For the purpose of this subdivision, "dominant in its field of operation" means having more than 20 full time employees and more than \$1,000,000 in annual gross revenues.

*"Eligible small business" shall also include an agricultural project acquired, constructed, improved or equipped by a rural development finance authority as defined in section 362A.01, subdivision 2."*

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "changing the definition of eligible small business for the purpose of small business finance agency loans;"

Page 1, line 5, before the period, insert "; and Minnesota Statutes 1981 Supplement, Section 362.50, Subdivision 5"

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

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

S.F. No. 1937: A bill for an act relating to the city of Madison; authorizing the city to make certain loans from its public utilities fund to promote economic

development in the city; repealing Laws 1967, Chapter 239.

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

Page 1, line 15, before the period, insert "*or as a stimulant to encourage private development*"

Page 1, line 25, delete "*and submitted*" and insert "*subject*"

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1568: A bill for an act relating to retirement; recognizing service covered by multiple retirement funds for entitlement to a disability benefit; proposing new law coded in Minnesota Statutes, Chapter 356.

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1964: A bill for an act relating to state government; ratifying state employee and University of Minnesota labor agreements and compensation plans; amending Minnesota Statutes 1980, Sections 15A.081, Subdivision 7; 15A.083, Subdivisions 1 and 2; 299D.03, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 15A.081, Subdivision 1; repealing Minnesota Statutes 1980, Sections 299C.041; and 299D.03, Subdivision 3.

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 299D.03, Subdivision 2, is amended to read:

Subd. 2. [SALARIES.] (1) Each employee other than the chief supervisor, lieutenant colonel, majors, captains, corporals and sergeants hereinafter designated shall be known as patrol troopers.

(2) There may be appointed one lieutenant colonel; and such majors, captains, corporals, sergeants and troopers as the commissioner deems necessary to carry out the duties and functions of the highway patrol. Persons in above named positions shall be appointed by law and have such duties as the commissioner may direct and, except for troopers, shall be selected from the patrol troopers, corporals, sergeants, captains, and majors who shall have had at least five years' experience as either patrol troopers, corporals, sergeants, or supervisors.

(3) Commencing July 4, 1979, the salaries for all members of the highway patrol, except for the chief supervisor and the lieutenant colonel shall be as shown in the following table:

		TOTAL YEARS OF SERVICE			
	Base	6	1	2	3
	Salary	Months	Year	Years	Years
Trooper	\$1186	1229	1327	1377	1439

Trooper	4 thru 6	7 thru 11	12 thru 20	After
	Years \$1511	Years 1566	Years 1625	20 Years 1687
Trooper 1	5 thru 11	12 thru 20	After	
	Years \$1566	Years 1625	20 Years 1687	
Corporal	10 thru 20	After		
	Years \$1650	20 Years 1712		

Staff Sergeant	7	9	10	11	12 thru 20	After 20
	\$1656	1687	1719	1753	1786	1817

## TIME IN RANK

Captain	Base	1	2	After 12	After 20
	Salary	Year	Years	Years total	Years total
Major	\$1959	2020	2082	Service	Service
	\$2229	2301		2143	2202
				2363	2425

Commencing July 2, 1980, the salaries for all members of the highway patrol, except for the chief supervisor and the lieutenant colonel shall be as shown in the following table:

## TOTAL YEARS OF SERVICE

Trooper	Base	6	1	2	3
	Salary	Months	Year	Years	Years
Trooper	\$1257	1303	1407	1460	1525
		4 thru 6	7 thru 11	12 thru 20	After 20

Trooper	Base	11	12 thru 20	After 20
	Salary	Years	Years	Years
Trooper	\$1602	1660	1723	1788
		5 thru 11	12 thru 20	After 20

Trooper 1	Base	10 thru 20	After 20
	Salary	Years	Years
Trooper 1	\$1660	1723	1788
		10 thru 20	After 20

Corporal	Base	Years	Years
	Salary	Years	Years
Staff Sergeant	\$1749	1815	

Staff Sergeant	7	9	10	11	12 thru 20	After 20
	\$1755	1788	1822	1858	1893	1926

## TIME IN RANK

Captain	Base	1	2	After 12	After 20
	Salary	Year	Years	Years Total	Years Total
Major	\$2077	2141	2208	Service	Service
	\$2373	2439		2272	2334
				2505	2571

Employees designated as station sergeants shall receive an additional three percent above the current rate rounded to the nearest dollar for the duration of the appointment. Employees permanently assigned exclusively to Twin City metropolitan freeway duty shall be designated freeway troopers and shall be compensated \$25 per month above their current salary when so assigned. Salary increases in accordance with the above schedule shall become effective for the payroll period nearest the employee's anniversary date of employment.

(4) Upon promotion, the person will be paid at the base salary rate of pay in

effect for that rank, and shall subsequently be eligible for the time in rank increases calculated from the effective date of promotion.

(5) Any time in rank increases in salary provided for in the tables in clause (3), shall be effective for the payroll period nearest the employee's anniversary date of employment.

The salary rates for all highway patrol troopers, corporals and sergeants as cited in clause (3) shall be deemed to include reimbursement for shift differential, meal and business expenses incurred by highway patrol troopers, corporals and sergeants in the performance of their assigned duties in their patrol areas; business expenses include, but are not limited to: uniform costs, home garaging of squad cars and maintenance of home office.

## Sec. 2. [RATIFICATION; STATE OF MINNESOTA.]

*Subdivision 1. The labor agreement between the state of Minnesota and the bureau of criminal apprehension agents' association, Minnesota conservation officers' association and Minnesota state patrol officers' association, approved by the legislative commission on employee relations on August 18, 1981, is hereby ratified.*

*Subd. 2. The labor agreement between the state of Minnesota and the American federation of state, county and municipal employees, council 6, approved by the legislative commission on employee relations on August 19, 1981, is hereby ratified.*

*Subd. 3. The labor agreement between the state of Minnesota and the Minnesota nurses association, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 4. The labor agreement between the state of Minnesota and the interfaculty organization, Minnesota education association, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 5. The labor agreement between the state of Minnesota and the Minnesota community college faculty association, Minnesota education association, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 6. The labor agreement between the state of Minnesota and the Minnesota state university association of administrative and service faculty, international brotherhood of teamsters, local 320, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 7. The labor agreement between the state of Minnesota and the association of health treatment professionals, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 8. The labor agreement between the state of Minnesota and the Minnesota association of professional employees, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 9. The labor agreement between the state of Minnesota and the state residential schools education association, approved by the legislative commission on employee relations on January 26, 1982, is hereby ratified.*

*Subd. 10. The labor agreement between the state of Minnesota and the middle management association, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 11. The commissioner of employee relations' plan for certain unrep-*



*resented state employees, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

Sec. 3. [RATIFICATION; UNIVERSITY OF MINNESOTA.]

*Subdivision 1. The salary supplements provided in the labor agreement between the regents of the University of Minnesota and the international brotherhood of teamsters, local 320, approved by the legislative commission on employee relations on September 3, 1981, are hereby ratified.*

*Subd. 2. The salary supplements provided in the labor agreement between the regents of the University of Minnesota and the international brotherhood of teamsters, local 320, approved by the legislative commission on employee relations on November 19, 1981, are hereby ratified.*

*Subd. 3. The salary supplements provided in the labor agreement between the regents of the University of Minnesota and the American federation of state, county and municipal employees, council 6, and local 1164, American federation of labor-congress of industrial organizations, approved by the legislative commission on employee relations on September 29, 1981, are hereby ratified.*

*Subd. 4. The salary supplements provided in the University of Minnesota regents' compensation plan for unrepresented nursing professional, noninstructional (nonacademic appointment) professional and supervisory employees, approved by the legislative commission on employee relations on January 12, 1982, are hereby ratified.*

*Subd. 5. The salary supplements provided in the University of Minnesota regents' compensation plan for unrepresented clerical and office, technical, managerial and confidential employees, approved by the legislative commission on employee relations on November 19, 1981, are hereby ratified.*

*Subd. 6. The salary supplements provided in the University of Minnesota regents' compensation plan for unrepresented twin cities and outstate instructional, graduate assistant and noninstructional (academic appointment) professional employees, approved by the legislative commission on employee relations on January 12, 1982, are hereby ratified.*

Sec. 4. [REPEALER.]

*Minnesota Statutes 1980, Sections 299C.041 and 299D.03, Subdivision 3, are repealed.*

Sec. 5. [EFFECTIVE DATE.]

*This act is effective the day following enactment."*

Amend the title as follows:

Page 1, delete line 5

Page 1, line 6, delete "1 and 2;" and insert "Section"

Page 1, line 6, delete everything after the second semicolon

Page 1, delete line 7

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1639: A bill for an act relating to retirement; Hennepin county supplemental retirement program; providing for a phase out of the program; authorizing current participants to withdraw from the program; providing for an increased withdrawal benefit option in certain instances; amending Laws 1969, Chapter 950, Sections 1, 2, 3, as amended, 4, as amended, 5 and 6; repealing Laws 1969, Chapter 950, Section 8.

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

Page 3, line 8, delete "163" and insert "153"

Page 4, line 4, delete "163" and insert "153"

Page 4, line 19, strike "62" and insert "58"

Page 7, line 8, after "to" insert "or after"

Page 7, line 9, delete everything after "and" and insert "who previously had not redeemed any shares in the program"

Page 7, delete line 10

Page 7, line 11, delete "participant"

Page 7, line 13, delete "of the participant. A"

Page 7, lines 14 to 27, delete the new language and strike the old language

Page 7, line 28, strike "account records of active" and delete "participants"

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1629: A bill for an act relating to the city of Hibbing; authorizing increases in certain firefighters service pensions and survivor benefits; amending Laws 1977, Chapter 169, Section 1 and Laws 1971, Chapter 614, Section 1, Subdivision 2.

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 2103: A bill for an act relating to retirement; St. Cloud firefighters relief association; clarifying and resolving an inconsistency in prior enactments concerning medical and health insurance coverage for certain relief association members; amending Laws 1974, Chapter 382, Sections 4, Subdivision 3, as amended; and 6, Subdivision 4.

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was re-referred

S.F. No. 1523: A bill for an act relating to the city of Little Falls; extending a certain expired deferred compensation option to the city administrator therein.

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 2133: A bill for an act relating to retirement; Richfield firefighters relief association; eliminating various obsolete special law provisions; validating certain prior payments or actions; amending Extra Session Laws 1961, Chapter 28, Section 14; repealing Extra Session Laws 1961, Chapter 28, Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13; and Laws 1963, Chapter 464.

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1494: A bill for an act relating to retirement; Buhl school district; altering the effective date of retirement for the payment of the post-retirement increase; requiring payment of necessary reserves.

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1901: A bill for an act relating to employment; providing for equitable compensation relationships among certain government employees; appropriating money; amending Minnesota Statutes 1981 Supplement, Sections 43A.01, by adding a subdivision; 43A.02, by adding subdivisions; 43A.05, by adding a subdivision; and 43A.18, Subdivision 8; proposing new law coded in Minnesota Statutes, Chapter 137.

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 1981 Supplement, Section 43A.01, is amended by adding a subdivision to read:

*Subd. 3. [EQUITABLE COMPENSATION RELATIONSHIPS.] It is the policy of this state to attempt to establish equitable compensation relationships between female-dominated, male-dominated, and balanced classes of employees in the executive branch. Compensation relationships are equitable within the meaning of this subdivision when the primary consideration in negotiating, establishing, recommending, and approving total compensation is comparability of the value of the work in relationship to other positions in the executive branch.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 43A.02, is amended by adding a subdivision to read:

*Subd. 6a. [BALANCED CLASS.] “Balanced class” means any class in which no more than 80 percent of the incumbents are male and no more than 70 percent of the incumbents are female.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 43A.02, is amended by adding a subdivision to read:

*Subd. 14a. [COMPARABILITY OF THE VALUE OF THE WORK.] "Comparability of the value of the work" means the value of the work measured by the composite of the skill, effort, responsibility, and working conditions normally required in the performance of the work.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 43A.02 is amended by adding a subdivision to read:

*Subd. 22a. [FEMALE-DOMINATED CLASS.] "Female-dominated class" means any class in which more than 70 percent of the incumbents are female.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 43A.02, is amended by adding a subdivision to read:

*Subd. 27a. [MALE-DOMINATED CLASS.] "Male-dominated class" means any class in which more than 80 percent of the incumbents are male.*

Sec. 6. Minnesota Statutes 1981 Supplement, Section 43A.05, is amended by adding a subdivision to read:

*Subd. 5. [COMPARABILITY ADJUSTMENTS.] The commissioner shall compile and submit to the legislative commission on employee relations by January 1 of each odd-numbered year a list showing, by bargaining unit, and by plan for executive branch employees covered by a plan established pursuant to section 43A.18, those female-dominated classes and those male-dominated classes in the executive branch for which a compensation inequity exists based on comparability of the value of the work. The commissioner shall also submit to the legislative commission on employee relations, along with the list, an estimate of the appropriation necessary for providing comparability adjustments for classes on the list. The commission shall review and approve, disapprove, or modify, the list and proposed appropriation. The commission's action shall be submitted to the full legislature in the same manner as provided in section 3.855 and section 43A.18 or section 179.74, subdivision 5. The commission shall allocate the proposed appropriation among the bargaining units and among the plans established under 43A.18. Each bargaining unit and each plan shall be allocated that proportion of the total proposed appropriation which equals the number of positions in the unit or plan approved by the commission for comparability adjustments divided by the total number of positions on the list approved by the commission for comparability adjustments. Distribution of funds within each bargaining unit or plan shall be determined by collective bargaining agreements or by plans.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 43A.18, Subdivision 8, is amended to read:

*Subd. 8. [COMPENSATION RELATIONSHIPS OF POSITIONS.] In preparing management negotiating positions for compensation which is established pursuant to subdivision 1, and in establishing, recommending and approving total compensation for any position within the plans covered in subdivisions 2, 3 and 4, the commissioner shall assure that:*

(a) Compensation for positions in the classified and the unclassified service compare reasonably to one another;

(b) Compensation for state positions bears reasonable relationship to compensation for similar positions outside state service;

(c) Compensation for management positions bears reasonable relationship to compensation of represented employees managed;

(d) Compensation for positions within the classified service bears reasonable relationships among related job classes and among various levels within the same occupation; and

(e) Compensations bear reasonable relationships to one another within the meaning of this subdivision if compensation for positions which require comparable ~~knowledge, abilities, duties, responsibilities and accountabilities~~ skill, effort, responsibility, and working conditions is comparable and if compensation for positions which require differing ~~knowledge, abilities, duties, responsibilities and accountabilities~~ skill, effort, responsibility, and working conditions is proportional to the ~~knowledge, abilities, duties and responsibilities~~ skill, effort, responsibility, and working conditions required.

Sec. 8. [ALLOCATION; STATE EMPLOYEES.]

*The amount approved by the legislative commission on employee relations pursuant to section 6, and approved by the full legislature, to make comparability adjustments shall be appropriated to the commissioner of finance from the various funds in the state treasury from which salaries are paid. The commissioner of finance, in consultation with the commissioner of employee relations, shall allocate these amounts to the proper accounts for distribution to incumbents of classes which have been approved for comparability adjustments.*

*Funds appropriated for purposes of comparability adjustments for state employees shall be distinct within the funds appropriated for salary supplements or other employee compensation. Funds not used for purposes of comparability adjustments shall revert to the appropriate fund."*

Amend the title as follows:

Page 1, line 4, delete "appropriating money;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1052: A bill for an act relating to retirement; highway patrol benefits and refunds; amending Minnesota Statutes 1980, Sections 352B.08, Subdivision 2; and 352B.11, Subdivisions 1 and 2.

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 1981 Supplement, Section 352B.02, Subdivision 1, is amended to read:

Subdivision 1. There is hereby established a highway patrol retirement fund, the membership of which shall consist of all persons defined in section

352B.01, subdivision 2. Each member shall pay a sum equal to ~~seven~~ 8.5 percent of ~~his~~ *the member's* monthly salary. Member contribution amounts shall be deducted monthly by the department head, who shall cause the total amount of the monthly deductions to be paid to the state treasurer, and shall cause a detailed report of all monthly deductions to be made each month to the executive director of the Minnesota state retirement system. In addition thereto, there shall be paid out of money appropriated to the departments for this purpose, monthly, by the department heads, a sum equal to 12 percent of the salary upon which deductions were made, and a sum equal to nine percent of the salaries upon which deductions were made for the purpose of amortizing the actuarial deficit of the fund. These amounts shall be credited to the highway patrol retirement fund. All moneys received shall be deposited by the state treasurer in the highway patrol retirement fund. Out of the fund shall be paid the administrative expenses of the retirement fund, and the benefits and annuities as hereinafter provided:

Sec. 2. Minnesota Statutes 1981 Supplement, Section 352B.08, Subdivision 2, is amended to read:

Subd. 2. The annuity shall be paid in monthly installments equal to that portion of the average monthly salary of the member multiplied by 2-1/2 percent for each year and pro rata for completed months of service not exceeding 20 25 years and two percent for each year and pro rata for completed months of service in excess of 20 25 years. "Average monthly salary" shall mean the average of the monthly salaries for the five highest successive years of service as a member. The monthly salary for the period prior to July 2, 1969 shall be deemed to be \$600. The term "average monthly salary" shall not include any reduced salary paid during the period the person is entitled to benefit payments from the workers' compensation court of appeals for temporary disability. In lieu of the single life annuity herein provided, the member or former member with ten years or more of service may elect a joint and survivor annuity, payable to a designated beneficiary for life, adjusted to the actuarial equivalent value of the single life annuity. The joint and survivor annuity elected by a member may also provide that the elected annuity be reinstated to the single life annuity herein provided, if after drawing the elected joint and survivor annuity, the designated beneficiary dies prior to the death of the member. This reinstatement shall not be retroactive but shall be in effect for the first full month subsequent to the death of the designated beneficiary. This additional joint and survivor option with reinstatement clause shall be adjusted to the actuarial equivalent value of a regular single life annuity.

Sec. 3. Minnesota Statutes 1980, Section 352B.11, Subdivision 1, is amended to read:

Subdivision 1. [~~REFUNDMENT~~ REFUND OF PAYMENTS.] Should any member who does not qualify for other benefits under this chapter become separated, *either voluntarily or involuntarily*, from state service that entitled him or her to be a member of the association, ~~either voluntarily or involuntarily, he the member, or in the event of the member's death, the member's estate, shall thereupon~~ be entitled to receive a ~~refundment~~ refund of all payments which have been made by salary deductions.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 352B.11, Subdivision 2, is amended to read:

Subd. 2. [DEATH; PAYMENT TO SPOUSE AND CHILDREN.] In the event any member serving actively as a member, a member receiving the disability benefit provided by section 352B.10, clause (1), or a former member with 20 or more years of allowable service credit receiving a disability benefit as provided by section 352B.10, clause (3) dies from any cause, the surviving spouse and dependent child or dependent children shall be entitled to benefit payments as follows:

(a) A member with at least ten years of allowable service or a former member with at least 20 years of allowable service is deemed to have elected a 100 percent joint and survivor annuity payable to a surviving spouse only on or after the date the member or former member attained or would have attained the age of 55.

(b) The surviving spouse of a member who had credit for less than ten years of service shall receive, for life, a monthly annuity equal to 20 percent of that portion of the average monthly salary of the member from which deductions were made for retirement. If the surviving spouse remarries, the annuity shall cease as of the date of the remarriage.

(c) The surviving spouse of a member who had credit for at least ten years of service and who dies after attaining 55 years of age, may elect to receive a 100 percent joint and survivor annuity, for life, notwithstanding a subsequent remarriage, in lieu of the annuity prescribed in clause (b).

(d) The surviving spouse of any member who had credit for ten years or more and who was not 55 years of age at death, shall receive the benefit equal to 20 percent of the average monthly salary as described in clause (b) until the deceased member would have reached his or her 55th birthday, and beginning the first of the month following that date, may elect to receive the 100 percent joint and survivor annuity. If the surviving spouse remarries prior to the deceased member's 55th birthday, all benefits or annuities shall cease as of the date of remarriage. Remarriage subsequent to the deceased member's 55th birthday shall not affect the payment of the benefit.

(e) Each dependent child shall receive a monthly annuity equal to ten percent of that portion of the average monthly salary of the former member from which deductions were made for retirement. A dependent child over the age of 18 years and under the age of 22 years also may receive the monthly benefit provided herein, if the child is continuously attending an accredited school as a full time student during the normal school year as determined by the director. If the child does not continuously attend school but separates from full time attendance during any portion of a school year, the annuity shall cease at the end of the month of separation. In addition, a payment of \$20 per month shall be prorated equally to surviving dependent children when the former member is survived by one or more dependent children. Payments for the benefit of any qualified dependent child shall be made to the surviving spouse, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed 40 percent of the average monthly salary for any number of children.

(f) If the member shall die under circumstances which entitle the surviving spouse and dependent children to receive benefits under the workers' compensation law, amounts equal to the workers' compensation benefits received by them shall not be deducted from the benefits payable pursuant to this section.

(g) ~~In the event any former member who had separated from service prior to having completed ten years of service, except former members permanently disabled in performance of duty, and was not employed by the state in a capacity entitling the former member to accumulate allowable service credit at the time of death, the surviving spouse, or if none, the children or heirs shall be entitled to receive any funds the former member may have left on deposit in the highway patrol retirement fund, but shall receive no further benefits under this chapter. The surviving spouse of a deceased former member who had credit for ten or more years of allowable service, but excluding the spouse of a former member receiving a disability benefit under the provisions of section 352B.10, clause (3), based on less than 20 years of service, shall be entitled to receive the 100 percent joint and survivor annuity at such time as the deceased member would have reached his or her 55th birthdate, provided the surviving spouse has not remarried prior to that date. In the event of the death of a former member who does not qualify for other benefits under this chapter, the surviving spouse or, if none, the children or heirs shall be entitled to receive a refund of the accumulated deductions left in the fund.~~

Sec. 5. [352B.265] [PRE-1973 INCREASE.]

*Total benefits payable to a retiree or surviving spouse whose benefits were computed under the law in effect prior to June 1, 1973, shall be increased by six percent on July 1, 1982, and on July 1 of each year thereafter. Funds sufficient to pay the increases provided by this section are hereby appropriated annually to the executive director from the highway patrol retirement fund.*

Sec. 6. [EFFECTIVE DATE.]

*This act is effective July 1, 1982."*

Delete the title and insert:

"A bill for an act relating to retirement; highway patrol benefits and refunds; providing annual benefit increases to pre-1973 retirees and surviving spouses; appropriating funds; amending Minnesota Statutes 1980, Section 352B.11, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 352B.02, Subdivision 1; 352B.08, Subdivision 2; and 352B.11, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 352B."

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

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1548: A bill for an act relating to retirement; public employees retirement association; changing the reduction factors for early retirement; amending Minnesota Statutes 1980, Section 353.30, Subdivisions 1 and 1a; Minnesota Statutes 1981 Supplement, Section 353.30, Subdivision 1c; repealing Minnesota Statutes 1980, Section 353.30, Subdivision 1b.

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

Page 2, line 2, delete "85" and insert "90"

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



Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1274: A bill for an act relating to employees and officials of the state; hospital and medical benefits for retired or disabled state officials and employees; amending Minnesota Statutes 1980, Section 471.61, Subdivision 2a.

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

Page 1, lines 10 and 11, delete the new language

Amend the title as follows:

Page 1, line 3, before "hospital" insert "clarifying certain"

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

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

S.F. No. 1948: A bill for an act relating to the Hennepin County park reserve district; authorizing the district to participate in hydroelectric power generation with other local government units under certain conditions.

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

Delete everything after the enacting clause and insert:

"Section 1. [HENNEPIN PARKS; DAMS.]

*In furtherance of the authority granted by Minnesota Statutes, Chapter 398, the Hennepin county park reserve district may develop and maintain a hydroelectric generation and transmission facility and use or distribute the power generated by the facility in connection with dams owned or controlled by the district. The authority shall in all cases be exercised jointly in connection with another local government unit. In connection with the park property known as the Coon Rapids dam regional park and the Coon Rapids dam which is a part of it, the district may only exercise the foregoing authority jointly with the city of Anoka pursuant to Minnesota Statutes, Section 471.59, and an agreement by the parties under section 471.59 which shall include the principles stated in section 3 and the effectiveness of which shall be contingent upon an affirmative determination in the proceedings described in section 2.*

Sec. 2. [FEDERAL ORDER.]

*Anoka and the district shall jointly apply to the Federal Energy Regulatory Commission for a declaratory order stating that the parties may amend their competing applications as now on file for a hydroelectric preliminary permit so that: (a) the applications may be deemed as a single, joint application for the permit pursuant to the terms of this act; (b) the single, joint application shall retain the same effective filing date as the application of the first of the parties to have filed; and (c) the single, joint application and operation of the project pursuant to the terms of section 3 shall be deemed the application of a municipality as provided in section 3(7) of the Federal Power Act and be entitled to the preference provided for in that act.*

Sec. 3. [AGREEMENT WITH ANOKA.]

*Subdivision 1. The agreement of Anoka and the district under Minnesota Statutes, Section 471.59, shall include the principles set forth in this section and be incorporated in full in the application of the parties to the Federal Energy Regulatory Commission made pursuant to section 2.*

*Subd. 2. The parties shall both seek the fulfillment of the following coequal goals: (a) the development of the hydroelectric facilities to maximize the use of the public waters in the production of energy; and (b) the preservation and protection of the park as a major regional open space recreational area maximizing the integrity of and the existing public recreational uses of the park, and, to the extent feasible, limiting the exclusive dedication of any park property and facilities to electric generation and distribution purposes.*

*Subd. 3. The district shall grant to Anoka the rights in and to the property of the park as may be required to allow Anoka to develop the generating, transmission and distribution facilities of the hydroelectric project, to finance its development, to operate and maintain the facilities and utilize or distribute the energy produced by the facilities, all for a term not to exceed 50 years and subject to renewal provisions as the parties may agree. In consideration of the foregoing, Anoka shall pay to the district an annual fee which shall provide to the district reasonable compensation for the fair value of the property which is contributed by the district for hydroelectric generating or distributing facilities for the full term of the agreement. The value shall be determined at the time of contribution and as if Anoka had taken the property by right of eminent domain.*

*Subd. 4. If the parties are unable to agree upon the interpretation or application of the foregoing or any terms of the agreement, they shall submit to arbitration as provided by law and the rules of the American Arbitration Association, except that the arbitrator or arbitration panel shall be composed of the persons appointed in the manner provided by this subdivision. If the parties agree, one person may serve as the arbitrator. If not, a panel of three arbitrators shall be utilized. Anoka shall appoint a person experienced in public utility management or the development of hydroelectric generating projects, or both. The district shall appoint a person experienced in public park management, and those persons shall appoint the third member of the panel.*

Sec. 4. [EFFECTIVE DATE.]

*This act is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the Hennepin county park reserve district and the council of the city of Anoka. If compliance has not occurred before May 7, 1982, or if the parties shall not have entered into the agreement provided for in section 3 and submitted the application provided for in section 2 before August 7, 1982, this act and all of its terms and conditions are void."*

Amend the title as follows:

Page 1, line 2, before the semicolon, insert "and the city of Anoka"

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. 2053: A bill for an act relating to education; authorizing the state university board to lease land on Mankato state university campus; permitting Mankato state university to lease a building; transferring title for a building to the state; proposing new law coded in Minnesota Statutes, Chapter 136.

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

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

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.

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 97.48, Subdivision 24, is amended to read:

Subd. 24. The commissioner may limit the number of persons who may hunt deer or bear in any areas, when he determines that ~~the game supply or area open to hunting is too small for unrestricted hunting~~ it is necessary to prevent an overharvest or to provide for a suitable distribution of hunters, and he may establish by order any practicable method, including a drawing, for impartially determining the persons who may hunt in such areas. Beginning with data available for the 1981 seasons, the commissioner may give preference to hunters who have previously unsuccessfully applied for the license in question.

Sec. 2. Minnesota Statutes 1980, Section 97.49, is amended by adding a subdivision to read:

*Subd. 1b. (a) For the purposes of this subdivision, "resident deer license" means a license issued by the commissioner under the provisions of section 98.46, subdivision 2, clauses (2) and (3), and "resident bear license" means a license issued by the commissioner under the provisions of section 98.46, subdivision 2, clause (7).*

*(b) It is the policy of this state that at least \$1 from each resident deer license and each resident bear license shall be used to fund deer and bear management programs, including the computerized licensing system.*

Sec. 3. Minnesota Statutes 1981 Supplement, 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, \$7;
- (2) To take deer with firearms, \$14 \$15;
- (3) To take deer with bow and arrow, \$14 \$15;
- (4) To take fish by angling, \$6.50;

(5) Combination husband and wife, to take fish by angling, \$10.50;

(6) To take moose, \$140 for an individual or for a party of not to exceed four persons;

(7) To take bear only, \$14 \$15;

(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. 4. Minnesota Statutes 1980, Section 101.42, Subdivision 18, is amended to read:

Subd. 18. Except as otherwise specifically permitted, it shall be unlawful to have in possession in an automobile or any vehicle or on their person, or at or near any waters, a spear, fish trap, net, dip net, seine, or any other device capable of taking fish, ~~which may be possessed between the hours of sunrise and sunset or to take any fish by means of such devices during the period of February 16 to April 30, inclusive, except when acting under permit or contract to trap or seine from the division of fisheries, during the period of February 16 to April 30, inclusive and except that fish and wildlife.~~ Spears, dip nets, bows and arrows, and devices permitted in section 101.51 used for the taking of rough fish may be possessed between the hours of sunrise and sunset after April 30. This subdivision does not apply to nets used in the taking of trout and smelt in season or to seines or traps used for the taking of minnows for bait or to legal angling equipment.

#### Sec. 5. [DISPOSAL OF CERTAIN SURPLUS EQUIPMENT.]

*Notwithstanding the provisions of Minnesota Statutes 1980, Section 16.07, or any other law, the commissioner of natural resources is authorized to negotiate the sale of surplus state equipment to the Leech Lake Band of Chippewa Indians. This authorization is limited to equipment currently in the possession of the Leech Lake Band of Chippewa Indians and being used for enforcement of game and fish laws.*

#### Sec. 6. [MILLE LACS BAND OF CHIPPEWA INDIANS.]

*The commissioner, in consultation with the Mille Lacs Band of Chippewa Indians and other interested persons, shall review and evaluate the claimed right of the Mille Lacs Band to hunt, trap, fish and gather wild rice within the original boundaries of the Mille Lacs Indian Reservation and on contiguous waters free of state regulation and control. Based on this review the commissioner shall submit a report to the legislature by January 1, 1983, which shall include, but not be limited to, a discussion of the desirability and feasibility of entering into an agreement with the Mille Lacs Band similar to the agreements authorized by sections 97.431 to 97.433. Nothing herein shall be construed to authorize the commissioner to enter into any such agreement.*

#### Sec. 7. [APPROPRIATION.]

*Subdivision 1. [COMPUTERIZED LICENSING SYSTEM.] The sum of \$180,000 is appropriated from the game and fish fund to the commissioner of natural resources to develop and operate computerized licensing systems for the period ending June 30, 1983.*

*Subd. 2. [EMERGENCY FEEDING.] The sum of \$250,000 is appropriated*

*from the game and fish fund to the commissioner of natural resources for the emergency feeding of deer, pheasants, and other wild animals during the winter of 1982. All money so appropriated which is unencumbered on July 1, 1982, shall revert to the game and fish fund.*

Sec. 8. [EFFECTIVE DATE.]

*Sections 1, 4, 5 and 6 are effective the day following final enactment. Sections 2 and 3 are effective March 1, 1983."*

Delete the title and insert:

"A bill for an act relating to fish and wildlife; providing additional authority for the commissioner of natural resources to limit the numbers of deer and bear hunters under certain circumstances; increasing resident deer and bear license fees; providing for deer and bear management, computerized licensing systems, and emergency feeding of wild animals during the winter of 1982; clarifying provisions concerning possession of certain equipment usable in taking fish; authorizing negotiated sale of certain surplus equipment; appropriating money; amending Minnesota Statutes 1980, Sections 97.48, Subdivision 24; 97.49, by adding a subdivision; and 101.42, Subdivision 18; and Minnesota Statutes 1981 Supplement, Section 98.46, Subdivision 2."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. 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. 1623: A bill for an act relating to municipal bonds; providing a formula for determining limitations on interest rates; changing a public sale requirement; amending Minnesota Statutes 1980, Sections 474.06; 475.55 and 475.60; Subdivision 2.

Reports the same back with the recommendation that the report from the Committee on Local Government and Urban Affairs, shown in the Journal for February 15, 1982, be amended to read:

"the bill be amended and when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws". Amendments adopted. Report adopted.

## SECOND READING OF SENATE BILLS

S.F. Nos. 1967, 2006, 1907, 1758, 1336, 2121, 2042, 1902, 2139, 2046, 1078, 2048, 1631, 1890, 2035, 1170, 1819, 2051, 1937, 1568, 1964, 1639, 1629, 2103, 1523, 2133, 1494, 1052, 1548, 1274 and 1948 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. moved that the name of Mr. Nichols be stricken as chief author and Mr. Moe, D.M. be added as chief author to S.F. No. 211. The motion prevailed.

Mr. Solon moved that the name of Mr. Frank be added as a co-author to S.F. No. 1697. The motion prevailed.

Mr. Penny moved that the name of Mr. Hughes be added as a co-author to S.F. No. 2143. The motion prevailed.

Mr. Ulland moved that the name of Mr. Solon be added as a co-author to S.F. No. 2152. The motion prevailed.

Mr. Ramstad moved that the names of Messrs. Merriam and Taylor be added as co-authors to S.F. No. 2163. The motion prevailed.

Mr. Ramstad moved that the name of Mr. Taylor be added as a co-author to S.F. No. 2164. The motion prevailed.

Mr. Davis moved that S.F. No. 1365 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Finance. The motion prevailed.

Mr. Hughes introduced—

Senate Resolution No. 75: A Senate resolution extending condolences to the families and friends of the volunteer firefighters who died in a fire in Stillwater and appreciation to all firefighters.

Referred to the Committee on Rules and Administration.

Mrs. Lantry moved that her name be stricken as a co-author to S. F. No. 1683. The motion prevailed.

Mr. Johnson moved that S.F. No. 2046, on General Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Johnson moved that S.F. No. 2139, on General Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

### CONSENT CALENDAR

H.F. No. 1637: A bill for an act relating to the standard of time; providing that the Minnesota standard of time conform to the federal standard of time; amending Minnesota Statutes 1980, Section 645.071.

Was read the third time 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 1, as follows:

Those who voted in the affirmative were:

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

Mr. Renneke voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1521: A bill for an act relating to crimes; defining "complainant" for purposes of criminal sexual misconduct offenses; amending Minnesota Statutes 1980, Section 609.341, Subdivision 13.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1648: A bill for an act relating to nonprofit corporations; providing an internal reference correction; providing for the conduct of meetings by telephone; amending Minnesota Statutes 1980, Sections 317.16, Subdivision 2; 317.20, Subdivision 8; and 317.22, 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 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1671: A bill for an act relating to environment; providing for the chairmanship, staff, and administration of the environmental quality board; amending Minnesota Statutes 1980, Section 116C.03, Subdivision 2a, and by adding subdivisions; Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Sections 116C.04, Subdivisions 8 and 9; 116C.05; 116C.07; and Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivision 3.

Mr. Bernhagen moved that S.F. No. 1671 be stricken from the Consent Calendar and placed at the top of General Orders. The motion prevailed.

S.F. No. 2126: A bill for an act relating to the attorney general; establishing a division of land title litigation in the office of the attorney general; proposing new law coded in Minnesota Statutes, Chapter 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 59 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1689: A bill for an act relating to the operation of state government; authorizing the legislative auditor to approve contracts for auditing state agencies; clarifying certain provisions regarding the term of the legislative auditor; modifying authority of the housing finance agency and certain other agencies to contract for audits without approval; amending Minnesota Statutes 1980, Sections 3.97, Subdivision 4; 3.972; and 462A.22, Subdivision 10.

Mr. Moe, D.M. moved that S.F. No. 1689 be stricken from the Consent Calendar and placed at the top of General Orders. The motion prevailed.

S.F. No. 2095: A bill for an act relating to state government; implementing the provisions of certain reorganization orders issued by the commissioner of administration; amending Minnesota Statutes 1980, Sections 176.281; and 474.01, Subdivisions 7a and 7b; and Minnesota Statutes 1981 Supplement, Section 474.03.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.



S.F. No. 1644: A bill for an act relating to securities; removing the exemption from filing fees for an agent who is a primary officer, partner, or director of a licensed broker-dealer; amending Minnesota Statutes 1981 Supplement, Section 80A.28, 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 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1878: A bill for an act relating to state historic sites; the Old Federal Courts building; amending Minnesota Statutes 1980, Section 138.56, 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 58 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1853: A bill for an act relating to agriculture; changing fee provisions relating to abstracts of mortgages and liens on grain crops; amending Minnesota Statutes 1980, Sections 386.42 and 386.43.

Mr. Schmitz, for Mr. Davies, moved that S.F. No. 1853 be stricken from the Consent Calendar and placed at the top of General Orders. 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. 1687, 1547, 1591, 1455, 328, 1589, 1443, 1702, 1641, 1673, 1679, 1692, 1733, 1727, 1678, 1749 and 1744, which the committee recommends to pass.

S.F. No. 1689, which the committee recommends to pass, after the following motion:

The question was taken on the recommendation to pass S.F. No. 1689.

The roll was called, and there were yeas 30 and nays 22, as follows:

Those who voted in the affirmative were:

Berglin	Dieterich	Langseth	Pehler	Stern
Bertram	Frank	Lantry	Penny	Stumpf
Dahl	Hanson	Luther	Peterson, C.C.	Tennessee
Davies	Johnson	Moe, D.M.	Peterson, R.W.	Vega
Davis	Knoll	Moe, R.D.	Petty	Waldorf
Dicklich	Kroening	Nelson	Setzepfandt	Willet

Those who voted in the negative were:

Ashbach	Brataas	Knutson	Pillsbury	Taylor
Bang	Engler	Kronebusch	Ramstad	Ulland
Benson	Frederick	Lessard	Renneke	
Berg	Frederickson	Lindgren	Rued	
Bernhagen	Kamrath	Peterson, D.L.	Sieloff	

The motion prevailed. So S.F. No. 1689 was recommended to pass.

S.F. No. 69, which the committee recommends to pass, subject to the following motion:

Mr. Davies moved to amend S.F. No. 69 as follows:

Page 1, line 13, delete "2" and insert "3"

Page 1, after line 16, insert:

*"Subd. 2. [NOTICE TO LEGISLATURE REQUIRED.] When a court modifies or overrules a statute under subdivision 1, it must send an informational letter to the revisor of statutes enclosing a copy of the order, findings, decision, or opinion. The revisor shall include the court's action in the report submitted by the revisor to the legislature pursuant to section 482.09, clause (10)."*

Page 1, line 17, delete "2" and insert "3"

Page 1, line 21, delete "3" and insert "4"

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

Page 2, line 18, delete "5" and insert "6"

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass S.F. No. 69.

The roll was called, and there were yeas 28 and nays 27, as follows:

Those who voted in the affirmative were:

Belanger	Davies	Luther	Peterson, R.W.	Sieloff
Berg	Dicklich	Moe, D.M.	Petty	Spear
Berglin	Engler	Moe, R.D.	Pillsbury	Stern
Bertram	Hanson	Nelson	Rued	Tennessee
Brataas	Johnson	Peterson, C.C.	Schmitz	
Dahl	Lindgren	Peterson, D.L.	Setzpfandt	

Those who voted in the negative were:

Benson	Humphrey	Langseth	Ramstad	Waldorf
Bernhagen	Kamrath	Lantry	Renneke	Wegener
Chmielewski	Knoll	Menning	Solon	Willet
Davis	Knutson	Pehler	Stumpf	
Frank	Kroening	Penny	Ulland	
Frederickson	Kronebusch	Purfeerst	Vega	

The motion prevailed. So S.F. No. 69 was recommended to pass.

S.F. No. 1671, which the committee recommends to pass with the following amendment offered by Mr. Luther:

Page 1, line 23, strike "five" and insert "four"

Page 1, line 23, after "members" insert "*and the chairman of the board*"

Page 1, line 23, strike "to the board"

Page 2, line 1, reinstate "public" and delete "board" and after "members" insert "*of the board*"

Page 2, delete section 3

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

S.F. No. 1853, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 1, line 17, after the stricken "thereof" insert "*of the company*" and reinstate the stricken "and be accompanied by a fee"

Page 1, line 22, delete "*of the company*"

Page 1, line 23, delete "*application*" and insert "*fee*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1481, which the committee recommends to pass with the following amendments offered by Messrs. Peterson, C.C. and Pehler:

Mr. Peterson, C.C. moved to amend S.F. No. 1481 as follows:

Page 2, line 31, delete "*March 1*" and insert "*February 28*"

Page 2, line 34, after "1981" insert "*; or a member of the highway patrol, as defined in chapter 352B, who has at least 20 years of state service and retires, earlier than required, after July 1, 1981*"

The motion prevailed. So the amendment was adopted.

Mr. Pehler moved to amend S.F. No. 1481 as follows:

Page 2, line 34, after "1981" insert "*; or an employee who has at least 20*"

*years of state service and retires, earlier than required, from employment as a member of Unit 8 department of corrections employees”*

The motion prevailed. So the amendment was adopted.

Mr. Peterson, C.C. moved to amend S.F. No. 1481 as follows:

Page 2, line 27, delete “70” and insert “65”

The motion prevailed. So the amendment was adopted.

S.F. No. 412, which the committee recommends to pass with the following amendment offered by Mr. Peterson, R.W.:

Page 1, line 22, after “law” insert “for a period of three years from the date of filing”

Page 2, line 1, before “if” insert “for a period of three years from the date of filing”

Page 2, line 5, after “married” insert “to each other”

The motion prevailed. So the amendment was adopted.

S.F. No. 1398, which the committee recommends to pass with the following amendment offered by Mr. Purfeerst:

Page 1, line 19, after the period, insert “The applicant shall pay all costs for each plate issued under this subdivision.”

Page 2, delete section 2

Amend the title as follows:

Page 1, line 5, delete everything before “amending”

The motion prevailed. So the amendment was adopted.

S.F. No. 1856, which the committee recommends to pass with the following amendments offered by Mr. Spear:

Mr. Spear moved to amend S. F. No. 1856 as follows:

Page 11, line 35, after “agency head” insert “, or the employing constitutional officer”

Page 28, line 5, strike “classified” and delete “or unclassified”

Page 35, lines 19 and 20, reinstate the stricken language and after the reinstated “coordinator” insert “from among the eligibles certified by the commissioner”

Page 35, lines 21 to 26, reinstate the stricken language and delete the new language

Page 35, lines 32 to 36, reinstate the stricken language

Page 39, line 24, after “employees” insert “, if they are”

Page 39, line 25, strike “who”

Page 39, line 26, after “system” insert a comma

Page 39, line 27, strike “such” and insert “an”

Page 39, line 29, strike “his”

Page 39, line 29, after "employment" insert "*in the unclassified service*"

Page 39, line 29, strike "he" and insert "*the employee*"

Page 39, line 33, strike "his" and insert "*the*"

Page 39, line 36, delete: "*an unclassified employee of*"

Page 40, line 13, reinstate the stricken language and delete the new language

Page 40, line 14, after the stricken "2a" insert "*1, clause (c), or subdivision*"

Page 41, line 1, strike "and"

Page 41, line 4, before the period, insert "*, and*"

(8) *The chief executive officers of correctional facilities operated by the department of corrections and of hospitals and nursing homes operated by the department of welfare*

Page 41, lines 9 to 11, delete the new language

Page 41, line 12, delete "(b)"

Page 41, line 13, after "*program*" insert a comma

Page 41, line 16, after "*position*" insert "*or a position in a higher class in the same agency. When an unclassified position which entitles a person to participate in the unclassified retirement program is placed in the classified service, the commissioner of employee relations shall send written notice to the incumbent of the position, and to the director of the Minnesota state retirement system. This notice shall state the incumbent's option under this subdivision*"

Page 41, line 19, delete "*their*" and insert "*the person's*"

Page 41, line 19, after "*membership*" insert "*in the unclassified plan*"

Page 41, line 20, after "*which*" insert "*the commissioner sends the notice stating that*"

Page 41, line 20, after "*position*" delete "*is*" and insert "*has been*"

Page 44, line 28, delete "*Sections 1 to 9 and 11 to 67*" and insert "*The remaining sections*"

The motion prevailed. So the amendment was adopted.

Mr. Spear then moved to amend S.F. No. 1856 as follows:

Page 44, after line 21, insert:

*"Subd. 3. Any person who on the day before the effective date of sections 13 and 14 is the incumbent of a position in the classified service which pursuant to section 13 or 14 is placed or is subject to being placed in the unclassified service may elect to continue to serve in the classified service so long as the person remains in that position.*

*Subd. 4. The commissioner of employee relations shall, within 30 days of the date on which the position is placed in the unclassified service pursuant to section 13 or 14, notify the incumbent of the position of his or her rights under subdivision 3. Any person who elects to remain in the classified service shall notify the commissioner in writing of this election within 60 days after the commissioner's notice is sent. A person who fails to file this notice shall waive*

any rights under subdivision 3 to remain in the classified service.

*Subd. 5. An employee who, on the effective date of this section, is on authorized leave of absence from a classified assistant agency head position, shall have the right to return to the position, and to continue to serve in the classified service so long as the employee remains in the position. An employee who elects to continue in the classified service shall notify the commissioner of employee relations of this choice within 60 days of the employee's return to the position from the leave of absence."*

The motion prevailed. So the amendment was adopted.

Mr. Spear then moved to amend S.F. No. 1856 as follows:

Page 11, line 25, delete "or assistant"

The motion prevailed. So the amendment was adopted.

Mr. Spear then moved to amend S.F. No. 1856 as follows:

Page 11, line 16, after "agencies;" insert "the state board of investment;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1637, which the committee recommends to pass, subject to the following motion:

Mr. Spear moved to amend S. F. No. 1637 as follows:

*Page 3, line 8, after the period, insert "For purposes of this section, "documentary evidence" shall include, as a minimum, an executed affidavit by an appropriate officer of the corporation, in a form prepared by the board, attesting to the fact that the corporation or financial institution is in compliance with section 363.03, subdivision 1, clauses (2) and (4). The board shall also attempt to verify compliance by reference to sources of information not affiliated with the corporation or financial institution."*

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass S. F. No. 1637.

The roll was called, and there were yeas 28 and nays 21, as follows:

Those who voted in the affirmative were:

Berglin	Frank	Luther	Peterson, R. W.	Tennesen
Dahl	Humphrey	Merriam	Petty	Vega
Davies	Johnson	Moe, D.M.	Spear	Waldorf
Davis	Knoll	Moe, R.D.	Stern	Willet
Dicklich	Kroening	Pehler	Stokowski	
Dieterich	Lantry	Peterson, C.C.	Stumpf	

Those who voted in the negative were:

Ashbach	Brataas	Knutson	Rued	Ulland
Belanger	Engler	Lindgren	Schmitz	
Berg	Frederickson	Pillsbury	Setzepfandt	
Bernhagen	Kamrath	Ramstad	Sieloff	
Bertram	Keefe	Renneke	Taylor	

The motion prevailed. So S.F. No. 1637 was recommended to pass.

S.F. No. 1691, which the committee recommends to pass with the following

amendment offered by Mr. Petty:

Page 2, line 4, delete "*expect*" and insert "*know*"

Page 2, line 5, delete "*will in the future*" and insert "*is reasonably likely to*"

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.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Peterson, D.L. and Lindgren introduced—

S.F. No. 2171: A bill for an act relating to education; requiring the higher education coordinating board to submit a report on undergraduate enrollments in public post-secondary schools.

Referred to the Committee on Education.

Mr. Dieterich introduced—

S.F. No. 2172: A bill for an act relating to crimes; clarifying methods of and responsibility for imposing and collecting penalty assessments; amending Minnesota Statutes 1981 Supplement, Sections 609.101 and 626.861.

Referred to the Committee on Judiciary.

Mr. Rued and Mrs. Kronebusch introduced—

S.F. No. 2173: A bill for an act relating to the legislature; proposing an amendment to the Minnesota Constitution, Article IV, by adding sections, to provide for initiative and referendum; implementing the initiative and referendum process, including the manner of petitioning and voting on initiative and referendum measures and judicial review; permitting corporations to spend money to promote or defeat ballot questions; requiring disclosure of contributions and expenditures on ballot questions; imposing duties on certain officials; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.20, by adding a subdivision; and 645.02; Minnesota Statutes 1981 Supplement, Sections 204C.19, Subdivision 2; 204C.33, Subdivision 3; 204D.11, Subdivision 5, and by adding a subdivision; 204D.15; 290.09, Subdivision 2; 290.21, Subdivision 3; and by proposing new law coded as Minnesota Statutes, Chapter 3B.

Referred to the Committee on Judiciary.

Mr. Knoll introduced—

S.F. No. 2174: A bill for an act relating to appropriations; appropriating money to the housing development fund for certain purposes.

Referred to the Committee on Finance.

Mr. Vega introduced—

S.F. No. 2175: A bill for an act relating to the city of South St. Paul; giving the city the powers of a port authority.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Davis introduced—

S.F. No. 2176: A bill for an act relating to real property; changing certain restrictions on corporate ownership of agricultural land; amending Minnesota Statutes 1981 Supplement, Section 500.24, Subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Langseth and Moe, R.D. introduced—

S.F. No. 2177: A bill for an act relating to economic development; recognizing the problems of distressed border cities; directing the department of energy, planning and development to identify border city equalization zones and disparity relief measures.

Referred to the Committee on Governmental Operations.

Messrs. Langseth and Moe, R.D. introduced—

S.F. No. 2178: A bill for an act relating to public utilities; requiring the averaging of natural gas rates; amending Minnesota Statutes 1980, Section 216B.16, by adding a subdivision.

Referred to the Committee on Commerce.

Mr. Kroening introduced—

S.F. No. 2179: A bill for an act relating to state government; providing for chiropractic positions in state government civil service; providing for the provision of chiropractic services; proposing new law coded in Minnesota Statutes, Chapters 43A and 148.

Referred to the Committee on Health, Welfare and Corrections.

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

## REPORTS OF COMMITTEES

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

S.F. No. 1859: A bill for an act relating to forestry; establishing a forest research management policy and plan; realignment of forestry boundaries; establishing a forest management fund and accounting system; making various changes in forestry laws; amending Minnesota Statutes 1980, Sections 16A.125, Subdivision 5; 89.001, Subdivision 6, and by adding subdivisions; 89.01, Subdivision 6; 89.021, Subdivision 1; 89.036; 89.37, Subdivisions 2, 3, 3a, and 4; 90.251, Subdivisions 1 and 4; 197.447; 282.01, Subdivisions 1 and 3; 282.02; and 282.132; Minnesota Statutes 1981 Supplement, Section



282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 88, 89, 90, and 282; repealing Minnesota Statutes 1980, Sections 282.031; 282.032; 282.033; 282.034; 282.035; 282.036; and 282.037.

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

Pages 1 and 2, delete section 1 and insert:

“Section 1. [SHORT TITLE.]

*Sections 1 to 29 may be cited as the Forest Resource Management Act of 1982.”*

Page 2, after line 32, insert:

“*Subd. 13. [FOREST LANDS UNDER THE AUTHORITY OF THE COMMISSIONER.] “Forest lands under the authority of the commissioner” means state forest lands and other forest lands managed by the commissioner outside of state forests, except for tax-forfeited lands held in trust for the taxing districts and for the following units of the outdoor recreation system as defined in section 86A.04: state parks, state trails, state wildlife management areas, state scientific and natural areas, state water access sites, state historic sites, state rest areas and state wilderness areas.*”

Page 2, line 36, after “lands” insert “*under the authority of the commissioner*”

Page 3, line 6, delete “*state forest lands or other*”

Page 3, line 9, delete “*state forest land and other forest land*” and insert “*forest lands*”

Page 3, line 10, delete “*his*” and after “*authority*” insert “*of the commissioner*”

Page 3, line 17, delete “*land under his*” and insert “*lands under the*”

Page 3, line 18, after “*authority*” insert “*of the commissioner*”

Page 6, after line 18, insert:

“Sec. 7. [89.014] [PRESENTATION TO LEGISLATURE.]

*The completed forest resource management plan and unit plans shall be presented at hearings before the standing committees of each house of the legislature with jurisdiction over natural resources or appropriation matters.”*

Page 6, line 19, delete “[89.014]” and insert “[89.015]”

Page 6, line 24, delete “*state forest land*” and insert “*forest lands*”

Page 6, line 25, delete “*his*” and insert “*the*”

Page 6, line 25, after “*authority*” insert “*of the commissioner*”

Page 9, delete lines 4 to 6

Reletter the clauses in sequence

Page 12, line 8, after “RESEARCH” insert “AND EXTENSION”

Page 12, line 9, delete “ACTIVITIES ENUMERATED” and insert

“AGRICULTURE EXPERIMENT STATION”

Page 12, line 31, delete everything before “To”

Page 13, after line 3, insert:

“*Subd. 2. [AGRICULTURAL EXTENSION SERVICE.] The director of the agricultural extension service at the University of Minnesota is authorized to conduct, support, and cooperate in forestry extension activities including, but not limited to, the following:*

*(a) Providing educational programs that will enable individuals to recognize and capture opportunities for managing forests for purposes of recreation, timber, water, wildlife, forage, and other purposes;*

*(b) Using educational programs to disseminate the results of forestry research;*

*(c) Providing for the forestry educational needs of the private, nonindustrial forest landowner;*

*(d) Assisting in providing continuing education programs for professionally trained resource managers;*

*(e) Providing educational programs that will enhance in harvesting, processing, and marketing of wood;*

*(f) Assisting in the identification of topics in need of forestry research.*

*In implementing this subdivision, all appropriate educational methods may be used.*

*To ensure efficient and effective accomplishment of forestry extension goals and objectives, the director of the state extension service shall cooperate with the commissioner in the development and implementation of the forest resources management policy and plan, and shall encourage close cooperation between forestry extension staffs in county, state, and federal service, and between personnel involved in forestry research and land management in all public and private agencies.*

Sec. 20. Minnesota Statutes 1980, Section 90.201, is amended to read:

90.201 [VOID TIMBER SALES; ~~WHEN VOID~~; REFUNDS; ADJUSTMENT OF SALE TERMS.]

*Subdivision 1. [VOID SALES; REFUNDS.] Any sale of timber made by fraud or mistake or in violation of the provisions of this chapter shall be void, the permit issued thereon shall be of no effect, and the holder shall be required to surrender the same. In case of a sale made by mistake the amount so paid shall be refunded to the permit holder, or at his request the commissioner may credit the refund as payment upon any other timber purchased by the permit holder. If timber has been cut on a permit which required cancellation due to error by the state, it may be sold at single stumpage rate without formalities.*

*Subd. 2. [REFUNDS ON FINAL BILLING; INTEREST PAYMENT ON LATE REFUNDS.] The commissioner shall refund to a permit holder any amount paid on a timber sale which exceeds the value of the timber cut under that sale as determined on a final statement transmitted pursuant to section 90.181. The permit holder may request that the commissioner credit the refund*

as payment on another permit held by that permit holder.

*Any refund of cash which is due to a permit holder as determined on a final statement transmitted pursuant to section 90.181 which is not paid to the permit holder within 45 days after the date of that statement shall bear interest at the rate determined pursuant to section 549.09 unless the refund is credited on another permit held by that permit holder. Interest shall be paid from the date of the final statement. No interest shall be paid in an amount of \$1 or less.*

*Subd. 3. [REAPPRAISAL OF DAMAGED TIMBER.] When timber under a valid permit is damaged or destroyed by natural causes, including fire, windstorm, or flood, the commissioner may reappraise the timber and make a correction in the permit.*

*Subd. 4. [SETTLEMENT OF PERMIT OBLIGATIONS.] When a permit holder dies or becomes permanently incapacitated, the commissioner may compromise and settle the remaining obligations to the state."*

Page 14, line 18, after "and" insert "as far as practicable"

Page 23, line 10, before the period, insert " , except in the case of oral or sealed bid auction sales, the down payment shall be twenty percent of the full appraised value, and the remaining eighty percent shall be paid prior to entry"

Page 23, line 10, after the period, insert

*"In the case of auction sales that are partitioned and sold as a single sale with predetermined cutting blocks, the down payment shall be twenty percent of the appraised price of the entire timber sale which may be held until the satisfactory completion of the sale or applied in whole or in part to the final cutting block. The value of each separate block must be paid in full before any cutting may begin in that block. With the permission of the county administrator the purchaser may enter unpaid blocks and cut necessary timber incidental to developing logging roads as may be needed to log other blocks provided that no timber may be removed from an unpaid block until separately scaled and paid for."*

Page 28, line 3, delete "25" and insert "27"

Page 28, after line 20, insert:

"Sec. 34. Laws 1981, Chapter 305, Section 11, is amended to read:

Sec. 11. [EXTENSION OF CERTAIN TIMBER PERMITS.]

The commissioner of natural resources may extend for an additional period of not to exceed one year any timber permit issued pursuant to Minnesota Statutes, ~~Section 90.191 Chapter 90~~, which expires ~~during 1981 between January 1, 1981 and December 31, 1982~~. This extension shall be in addition to any extension previously granted pursuant to ~~section 90.191 chapter 90~~; shall be made without additional charge, and shall otherwise be subject to the requirements of ~~section 90.191 chapter 90~~."

Page 28, after line 23, insert:

"Sec. 36. [EFFECTIVE DATE.]

*Sections 10, 11, 14, 15, 16, 17, and 30 are effective July 1, 1982. The remaining sections of this act are effective the day following final enactment."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "changing certain procedures for timber sales from state and tax-forfeited lands; extending certain timber permits;"

Page 1, line 7, delete "Subdivision 6, and"

Page 1, line 10, before "90.251" insert "90.201;"

Page 1, line 13, after "1;" insert "Laws 1981, Chapter 305, Section 11;"

And when so amended the bill do pass and be re-referred to the Committee on Finance.

Mr. Moe, R.D. moved the adoption of the foregoing committee report. The motion prevailed. Amendments adopted. Report adopted.

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

## MOTIONS AND RESOLUTIONS

### CONFIRMATION

Mr. Tennesen moved that the appointments of notaries public received February 17, 1982, be taken from the table. The motion prevailed.

Mr. Tennesen moved that the Senate, having given its advice, do now consent to and confirm the appointments of the notaries public. The motion prevailed. So the appointments were confirmed.

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, March 1, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**SEVENTY-SEVENTH DAY**

St. Paul, Minnesota, Friday, February 26, 1982

The House of Representatives met on Friday, February 26, 1982, which was the Seventy-Seventh Legislative Day of the Seventy-Second Session of the Minnesota State Legislature. The Senate did not meet on this date.

## SEVENTY-EIGHTH DAY

St. Paul, Minnesota, Monday, March 1, 1982

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. Lyle Christianson.

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.	Spear
Benson	Frank	Lantry	Peterson, D.L.	Stern
Berg	Frederick	Lessard	Peterson, R.W.	Stokowski
Berglin	Frederickson	Lindgren	Petty	Stumpf
Bernhagen	Hanson	Luther	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennessee
Brataas	Humphrey	Merriam	Renneke	Ulland
Chmielewski	Johnson	Moe, D.M.	Rued	Vega
Dahl	Kamrath	Moe, R.D.	Schmitz	Waldorf
Davies	Knoll	Nelson	Setzepfandt	Wegener
Davis	Knutson	Oihoft	Sieloff	Willet

The President declared a quorum present.

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

## MEMBERS EXCUSED

Messrs. Keefe and Pillsbury were excused from the Session of today.

## 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. 1582 and 1756.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 25, 1982

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 709 and 1088.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 26, 1982

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. 1538: A bill for an act relating to peace officers; providing for appointment of peace officers, constables and deputy constables in towns; requiring towns to notify the peace officers standards and training board before employing law enforcement officers; amending Minnesota Statutes 1980, Sections 367.03, Subdivisions 1, 2, and 3; 367.22; 367.40, Subdivisions 3 and 4; 367.41; Minnesota Statutes 1981 Supplement, Section 367.42, Subdivision 1; repealing Minnesota Statutes 1981 Supplement, Section 382.28.

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

Lehto, Vanasek and Jennings.

Senate File No. 1538 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 25, 1982

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1646, 1697, 1456, 1547, 1685, 1700, 1725, 1902, 1920, 1948, 1713, 1747, 1885, 1955, 2116, 2066, 2068, 2077, 2078, 2134, 2175, 685, 1262, 1589, 1068, 1366, 1532, 1611, 1719, 1734, 1442 and 1712.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 26, 1982

### FIRST READING OF HOUSE BILLS

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

H.F. No. 1646: A bill for an act relating to retirement; Buhl school district; altering the effective date of retirement for the payment of the post-retirement increase; requiring payment of necessary reserves.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1494, now on General Orders.

H.F. No. 1697: A bill for an act relating to retirement; validating a certain post retirement adjustment granted by the Virginia firefighters relief association; authorizing increases in benefits payable by the Eveleth police and fire trust fund; defining certain terms, providing for the governance of separate and

distinct general and special funds, providing benefit improvements for certain participants and benefit recipients, validating adoption of third class city police law, and validating past payments by the Virginia police relief association; clarifying the authority to approve alternative benefit increases; repealing Laws 1935, Chapters 92 and 259; Laws 1937, Chapter 197; and Laws 1949, Chapter 235.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1628.

H.F. No. 1456: A bill for an act relating to probate; changing certain records-keeping requirements; amending Minnesota Statutes 1980, Section 525.03; Laws 1979, Chapter 303, Article III, Section 43.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1400, now on General Orders.

H.F. No. 1547: A bill for an act relating to intoxicating liquor; town board approval of certain county liquor licenses; amending Minnesota Statutes 1980, Section 340.119, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 340.11, Subdivision 10.

Referred to the Committee on Commerce.

H.F. No. 1685: A bill for an act relating to the military; providing for the administration of oaths and acknowledgments by a member of the armed forces of the United States; amending Minnesota Statutes 1980, Sections 192.205, by adding a subdivision; and 358.32.

Referred to the Committee on Veterans' Affairs.

H.F. No. 1700: A bill for an act relating to the military; prohibiting entry to Camp Ripley without authorization of the adjutant general; imposing a penalty; amending Minnesota Statutes 1980, Sections 609.60 and 609.605.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1692, now on the Calendar.

H.F. No. 1725: A bill for an act relating to the military; increasing the minimum pay for enlisted personnel called into active service; amending Minnesota Statutes 1980, Section 192.51, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1733, now on the Calendar.

H.F. No. 1902: A bill for an act relating to Ramsey County; permitting the county to establish a small business set-aside program.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2042, now on General Orders.

H.F. No. 1920: A bill for an act relating to economic development; excepting motor carriers from the definition of "business license;" amending Minnesota Statutes 1981 Supplement, Section 362.452, Subdivision 2a.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1903, now on General Orders.

H.F. No. 1948: A bill for an act relating to retirement; Richfield firefighters relief association; eliminating various obsolete special law provisions; validat-



ing certain prior payments or actions; amending Extra Session Laws 1961, Chapter 28, Section 14; repealing Extra Session Laws 1961, Chapter 28, Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13; and Laws 1963, Chapter 464.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2133, now on General Orders.

H.F. No. 1713: A bill for an act relating to St. Louis county; providing for the calculation of vacation and sick leave allowances of certain employees.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1530, now on General Orders.

H.F. No. 1747: A bill for an act relating to the city of Minneapolis; providing for the security for certain rehabilitation loans; amending Laws 1977, Chapter 138, Section 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1678, now on the Calendar.

H.F. No. 1885: A bill for an act relating to public welfare; providing for approval of mental health clinics and centers pending promulgation of permanent rules.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1769, now on General Orders.

H.F. No. 1955: A bill for an act relating to the city of Waconia; authorizing the sale of certain revenue bonds at a price less than par value and authorizing the maturity schedule to be determined by municipal resolution.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1748, now on General Orders.

H.F. No. 2116: A bill for an act relating to Blue Earth County; permitting county board members to serve on the county housing and redevelopment authority.

Referred to the Committee on Local Government and Urban Affairs.

H.F. No. 2066: A bill for an act relating to local government; providing for city facilities related to armories; authorizing issuance of bonds; proposing new law coded in Minnesota Statutes, Chapter 193.

Referred to the Committee on Rules and Administration.

H.F. No. 2068: A bill for an act relating to intoxicating liquor; authorizing the city of International Falls to issue one short term on-sale liquor license.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2057, now on General Orders.

H.F. No. 2077: A bill for an act relating to insurance; increasing the percentage of the state comprehensive health plan premium that may be used to pay certain fees and expenses; amending Minnesota Statutes 1980, Section 62E.11, Subdivision 3.

Referred to the Committee on Commerce.

H.F. No. 2078: A bill for an act relating to state government; authorizing the

commissioner of the department of economic security to delegate certain powers; amending Minnesota Statutes 1980, Section 268.011, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2026, now on General Orders.

H.F. No. 2134: A bill for an act relating to intoxicating liquor; providing that on-sale licenses issued to certain nonprofit corporations shall authorize sales on all days of the week; amending Minnesota Statutes 1980, Section 340.11, Subdivision 11b.

Referred to the Committee on Commerce.

H.F. No. 2175: A bill for an act relating to Minnesota Statutes, correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating certain redundant, conflicting and superseded provisions; authorizing the revisor of statutes to make necessary reference changes if the administrative procedure act is recompiled as a separate chapter; amending Minnesota Statutes 1980, Sections 60C.02, Subdivision 1; 62B.04, Subdivision 1; 92.03, Subdivision 4; 106.011, Subdivision 20; 106.021, Subdivision 2; 106.081, Subdivision 1; 106.091, Subdivision 2; 120.17, Subdivisions 4a and 5; 123.21; 123.78, Subdivision 1; 123.932, Subdivision 1a; 125.12, Subdivision 3; 129.121, Subdivision 1; 136.015; 145.833, Subdivisions 9, 10 and 11; 160.05, Subdivision 1; 175.35; 177.23, Subdivisions 4, 7 and 10; 177.27; 177.28; 177.29; 177.30; 177.31; 177.32; 177.33; 177.34; 177.35; 214.14, Subdivision 1; 273.11; Subdivision 5; 282.01, Subdivision 1; 290.41, Subdivision 3; 458.192, Subdivision 15; 462.415, Subdivisions 4 and 6; 462.421, Subdivisions 1, 2 and 20; 462.425, Subdivision 7; 462.426, Subdivision 1; 462.427, Subdivision 2; 462.428, Subdivision 3; 462.445, Subdivisions 1, 4 and 5; 462.451, Subdivision 2; 462.461, Subdivisions 1 and 2; 462.485; 462.511; 462.541, Subdivision 2; 462.545, Subdivisions 1, 2, 3 and 6; 462.555; 462.561; 462.571; 462.581; 462.591, Subdivision 1; 462.621, Subdivisions 1 and 3; 462.631, Subdivision 1; 462.635; 462.645; Subdivisions 1, 5 and 7; 462.665; 462.671; 462.701; 462.705; 462.712; 462.713; 473.195, Subdivision 1; 504.24, Subdivision 2; Chapter 111, by adding a section; Minnesota Statutes 1981 Supplement, Sections 11A.18, Subdivision 9; 43A.08, Subdivision 2; 43A.27, Subdivision 2; 47.20, Subdivisions 4a and 4b; 60A.11, Subdivisions 9 and 10; 69.011, Subdivision 2; 69.031, Subdivision 5; 97.488, by adding a subdivision; 116H.129, Subdivisions 1, 5 and 6; 156A.02, Subdivision 6; 168.013, Subdivision 1c; 169.825, Subdivision 10; 171.36; 176.306, Subdivision 2; 204B.31; 222.63, Subdivision 4; 273.11, Subdivision 1; 290.077, Subdivision 4; 290.09, Subdivision 15; 299F.011, Subdivision 1; 353.01, Subdivisions 2a and 6; 355.11, Subdivision 5; 414.0325, Subdivision 5; 462.601; 462.605; 514.011, Subdivision 4a; 525.551, Subdivision 5; 525.6198; and Laws 1981, Chapter 224, Section 73; repealing Minnesota Statutes 1980, Section 60A.11, Subdivisions 5a and 5b; Minnesota Statutes 1981 Supplement, Section 290.971, Subdivision 7; Laws 1980, Chapter 587, Article I, Sections 31, 32, 33, 34, 35, 36, 37, 38 and 39; Laws 1981, Chapters 31, Section 7; 60, Section 14; 137, Section 3; 158; 178, Section 33; 205, Section 1; 224, Section 92; 255, Sections 1, 3 and 4; 356, Sections 99, 189, 190, 191, 210 and 212; and 357, Section 28.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2064, now on General Orders.

H.F. No. 685: A bill for an act relating to crimes; providing photographic records of evidence shall be admissible as evidence; providing for the return of stolen property; proposing new law coded in Minnesota Statutes, Chapter 609.

Referred to the Committee on Judiciary.

H.F. No. 1262: A bill for an act relating to workers' compensation; permitting political subdivisions to provide additional benefits; amending Minnesota Statutes 1980, Section 176.021, Subdivision 5.

Referred to the Committee on Employment.

H.F. No. 1589: A bill for an act relating to motor vehicles; authorizing the operation of motorized golf carts by certain persons on designated roadways of city streets; regulating the operation thereof; amending Minnesota Statutes 1980, Sections 168.012, by adding a subdivision; 169.522; and proposing new law coded in Minnesota Statutes, Chapter 169.

Referred to the Committee on Transportation.

H.F. No. 1068: A bill for an act relating to adoption; providing for record retention; providing for services by adoption agencies; proposing new law coded in Minnesota Statutes, Chapter 259.

Referred to the Committee on Judiciary.

H.F. No. 1366: 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 Rules and Administration for comparison with S.F. No. 1406, now on General Orders.

H.F. No. 1532: 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.

H.F. No. 1611: A bill for an act relating to garnishment; authorizing an employer to recover expenses incurred for administering garnishment of an employee's wages; amending Minnesota Statutes 1980, Section 571.57.

Referred to the Committee on Employment.

H.F. No. 1719: A bill for an act relating to courts; authorizing the chief judge of the judicial district to fill vacancies in the office of judicial officer in St. Louis, Steele, Goodhue and Carlton counties; amending Minnesota Statutes 1981 Supplement, Section 487.08, Subdivision 2.

Referred to the Committee on Judiciary.

H.F. No. 1734: A bill for an act relating to courts; authorizing the continuance of the office of court referee in the second and fourth judicial districts; amending Minnesota Statutes 1981 Supplement, Section 484.70, Subdivision 1.

Referred to the Committee on Judiciary.

H.F. No. 1442: A bill for an act relating to crimes; eliminating the defenses of mental illness and mental retardation; amending Minnesota Statutes 1980, Section 611.026.

Referred to the Committee on Judiciary.

H.F. No. 1712: A bill for an act relating to public welfare; amending the community social services act; removing certain requirements related to biennial plans and the sliding fee for child care; providing for identification of certain rules; exempting the commissioner from certain rulemaking procedures; providing for notice and comment procedures with respect to proposals to amend or repeal certain rules; providing for allocation of funds to counties; amending Minnesota Statutes 1980, Section 256E.09, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 245.84, Subdivision 2; 256E.03, Subdivision 2; 256E.05, Subdivision 3; and 256E.07, Subdivision 3; repealing Minnesota Statutes 1981 Supplement, Section 256E.07, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1808, 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. Wegener from the Committee on Local Government and Urban Affairs, to which was referred

S.F. No. 2123: A bill for an act relating to the city of Duluth; authorizing the sale of bonds to finance the purchase of certain equipment without an election.

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

Page 1, line 9, after "bonds" insert "in a principal amount not to exceed \$2,000,000."

Page 1, line 14, delete ", unless" and insert "except as provided in section 2, or as"

Page 1, after line 15, insert:

"Sec. 2. [REVERSE REFERENDUM.]

*The city council of Duluth, prior to the issuance of any bonds authorized by section 1, shall adopt a resolution stating the amount, purpose and, in general, the security to be provided for the bonds, and shall publish the resolution once each week for two consecutive weeks in the medium of official and legal publication of the city. The bonds may be issued without the submission of the question of their issuance to the voters of the city unless within 21 days after the second publication of the resolution a petition requesting a referendum signed by at least 8 percent of the registered voters of the city is filed with the city clerk. If a petition is filed, no bonds shall be issued unless approved by a majority of the voters of the city voting on the question of their issuance at a regular or special election."*

Page 1, line 17, delete "This law is" and insert "Sections 1 and 2 are"

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 4, before the period insert “; providing for a reverse referendum”

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

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

S.F. No. 1962: A bill for an act relating to agriculture; providing for the regulation of grain storage warehouse operators; providing penalties; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 232; repealing Minnesota Statutes 1980, Sections 232.06, Subdivisions 2, 3, 4, 6 and 7; 232.07 to 232.19; Minnesota Statutes 1981 Supplement, Section 232.06, Subdivision 1.

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

Page 1, delete section 1

Page 1, lines 18 and 21, delete “2 to 7” and insert “1 to 6”

Page 2, line 1, delete “or the commissioner’s designee”

Page 2, lines 24 and 26, delete “5” and insert “4”

Page 2, delete lines 31 to 35

Renumber the subdivisions in sequence

Page 3, line 6, after “or” insert “purchase, or”

Page 3, line 16, delete “operators” and insert “operator’s”

Page 3, line 19, delete “a” and insert “the same”

Page 3, line 25, delete “should” and insert “may”

Page 3, line 26, delete “if possible”

Page 3, lines 31, 33, and 34, delete “2 to 7” and insert “1 to 6”

Page 3, line 34, after “7” insert “and chapters 231, 233 and 236”

Page 4, line 3, delete “2” and insert “1”

Page 4, line 4, delete “7” and insert “6 and chapters 231, 233 and 236”

Page 4, line 5, delete “2 to 7” and insert “1 to 6 and chapters 231, 233 and 236”

Page 4, line 7, delete “operators” and insert “operator’s”

Page 4, line 10, after “established” insert “by rule”

Page 4, line 13, delete “public grain warehouse” and insert “location”

Page 4, line 14, delete “grain warehouses” and insert “locations”

Page 4, line 18, delete “cash”

Page 4, line 23, delete “Should” and insert “If”

Page 4, line 24, delete "*neglect or refuse*" and insert "*neglects or refuses*"

Page 5, line 12, delete "*depositor*" and insert "*person*"

Page 5, line 25, after "*The*" insert "*condition one*"

Page 5, after line 29, insert:

*"(b) The condition two bond shall provide for payment of loss caused by the grain buyer's failure to pay, upon the owner's demand, the purchase price of grain sold to the grain buyer. The bond shall be conditioned upon the grain buyer being duly licensed as provided herein. The bond shall not cover any transaction which constitutes a voluntary extension of credit."*

Reletter the clauses in sequence

Page 6, line 1, before "*if*" insert a period

Page 7, line 16, delete "*storge*" and insert "*storage*"

Page 7, line 19, delete the second "*location*"

Page 8, line 7, delete "*hve*" and insert "*have*"

Page 8, line 10, after "*or*" insert "....."

Page 8, line 35, delete the first "*or*" and insert "*of*"

Page 8, line 36, delete "*memoranda*" and insert "*memorandum*"

Page 9, line 22, delete "*for dirt or other cause*"

Page 10, line 1, delete "*party*" and insert "*person*"

Page 10, line 2, delete "*party*" and insert "*person*"

Page 10, line 5, delete "*parties*" and insert "*persons*"

Page 10, line 20, delete "*in store*" and insert "*being stored*"

Page 11, line 11, after the quotation marks insert "*and*"

Page 11, line 28, delete "*by*" and insert "*for*"

Page 12, after line 32, insert:

"Sec. 8. Minnesota Statutes 1981 Supplement, 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 the form 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 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 the license a fee based on the storage capacity of the warehouse as follows:

Storage capacity in square feet:		
(1) 5,000 or less	\$ 65	\$ 90
(2) Over 5,000 to 10,000	\$125	\$175
(3) Over 10,000 to 20,000	\$200	\$250
(4) Over 20,000 to 100,000	\$250	\$325
(5) Over 100,000 to 200,000	\$325	\$400
(6) Over 200,000	\$375	\$450

*Fees collected under this chapter shall be paid into the grain buyers and storage fund established in section 4.*

The license shall be renewed 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. 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 a permit in the form 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. 9. Minnesota Statutes 1981 Supplement, 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 the warehouse shall first obtain a license from the department authorizing the warehouseman to operate 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 license shall be issued, written application 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 other facts as the department may require shall be contained in the application. The application shall be acted upon with

reasonable dispatch by the department; and, if no reason exists for refusing the same, a license may be issued upon the payment of the fee of ~~\$60~~ \$90 for each elevator. 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 the duties 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 the grain in case of failure to make the delivery. 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 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 all warehouses.

*Fees collected under this chapter shall be paid into the grain buyers and storage fund established in section 4.*

Sec. 10. Minnesota Statutes 1980, Section 236.02, is amended to read:

**236.02 [GRAIN BANK LICENSING; BONDING OF APPLICANTS.]**

Any person who (1) operates an establishment which processes grain into feed and (2) is licensed to buy grain as a public or private local grain warehouseman under section 232.02, ~~and acts amendatory thereof~~, may obtain a license to operate a grain bank. No person may conduct a grain bank without a grain bank license.

A grain bank license shall be obtained from the department, which is hereby authorized to issue such a license upon compliance by the applicant with the bond requirements of sections 236.01 to 236.09. Such grain bank license shall be in addition to the license to buy grain as a public or private local grain warehouseman and shall empower the licensee to conduct a grain bank in accordance with sections 236.01 to 236.09.

Every grain bank license shall expire at midnight on the 30th day of June each year, the fee shall be ~~\$25~~ \$50 for each license and a license shall be required for each location where a grain bank is operated. ~~The fees collected under this section shall be paid into the state treasury and credited to the general fund.~~ Such licenses shall be revocable by the department for cause upon notice and hearing. All licenses and rules regulating the operation of the grain bank shall be posted in a prominent and easily accessible place in the grain bank.

*Fees collected under this chapter shall be paid into the grain buyers and storage fund established in section 4.*

No license shall be issued for the operation of a grain bank until the applicant has filed with the department a bond in such sum as the department may prescribe, which sum shall not be less than \$1,500 for each license and shall at all times be in sufficient sum to protect the holders of outstanding grain bank



receipts. Such bonds shall be filed annually and cover the period of the grain bank license. Such bonds shall run to the state of Minnesota and shall be for the benefit of all persons storing grain in such grain bank. They shall be conditioned upon the faithful performance by the grain bank operator of all the provisions of the law relating to the operation of grain banks by such grain bank operator, and the rules and regulations of the department relative thereto. The department is authorized to require such increases in the amounts of such bonds from time to time as it deems necessary for the protection of grain bank receipt holders. The surety of such bonds shall be a corporate surety company authorized to transact business in the state of Minnesota. Any person for whose benefit the bond is given may commence an action thereof in their own name in district court. Any person who is granted a grain bank license at more than one location may, with the department's approval, file one bond covering all locations in such total amount as the department may require under sections 236.01 to 236.09 and the rules and regulations made pursuant to sections 236.01 to 236.09. Any person, firm or corporation licensed as a public local grain warehouseman and bonded under the provisions of section 232.13 may include liability for outstanding non-negotiable grain bank receipts under the coverage of such bond in lieu of securing a separate grain bank bond as provided in this section."

Page 12, line 35, after "*commissioner*" insert "*of agriculture*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "changing certain fee provisions;"

Page 1, line 4, after "money;" insert "amending Minnesota Statutes 1980, Section 236.02; Minnesota Statutes 1981 Supplement, Sections 231.16; and 233.08;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 1541: A bill for an act relating to insurance; providing for conversion privileges for spouses of deceased employees covered by group health and accident insurance; amending Minnesota Statutes 1980, Section 62A.146.

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 62A.145, is amended to read:

~~62A.145 [SURVIVORS OF DECEASED EMPLOYEE; DEFINITIONS DEFINITION.]~~

~~Subdivision 1. For the purposes of this section and section 62A.146, the terms defined in this section shall have the meanings here given them.~~

~~Subd. 2. "Covered employee" means any person who, at the time of his death, was employed by any employer providing, offering or contributing to group insurance coverage for that employee who was so enrolled for the~~

coverage.

Subd. 3. "Group insurance" means any policy or contract of accident and health protection, regardless of by whom underwritten, paid for in full or in part by an employer, which provides benefits, including cash payments for reimbursement of expenses and the provision of usual and needed health care and medical services as the result of any injury, sickness, disability or disease suffered by a group of employees, or any one of them, and the dependents of such employees.

Subd. 4. "Employer" means any natural person, company, corporation, partnership, association or firm which employs any employee.

Subd. 5. "survivor" means any a person who would be entitled to and be dependent upon economic support by an employee insured, subscriber or enrollee if that employee he were alive; including any a spouse and/or, child or children as defined by the group insurance policy or plan of accident and health protection.

Sec. 2. Minnesota Statutes 1980, Section 62A.146, is amended to read:

62A.146 [GROUP INSURANCE; CONTINUATION OF BENEFITS TO SURVIVORS.]

Every employer providing a policy or plan of accident and health protection and benefits for his employees, or any of them, and the dependents of such employees No policy or plan of accident and health protection issued by an insurer, nonprofit health service plan corporation, or health maintenance organization, providing coverage of hospital or medical expense on either an expense incurred basis or other than an expense incurred basis which in addition to coverage of the insured, subscriber, or enrollee, also provides coverage to his dependents, shall not, except upon the written consent of the survivor or survivors of any the deceased covered employee insured, subscriber or enrollee, terminate, suspend or otherwise restrict the participation in or the receipt of benefits otherwise payable under such the policy or plan of group insurance to such the survivor or survivors within one year of the covered employee's death until the earlier of the following dates:

- (a) The date of remarriage of the surviving spouse; or
- (b) The date coverage would have terminated under the policy or plan had the insured, subscriber, or enrollee lived.

Provided, however, that any The survivor or survivors, in order to have the coverage and benefits extended for such one year period, as herein provided, may be required to pay the entire cost of such the protection. Failure of the survivor to make premium or fee payments in advance to the employer within 30 days after notice of the requirement to pay the premiums or fees shall be a basis in itself for the termination of the coverage without the written consent heretofore required for such termination, but . In event of termination by reason of the survivor's failure to make required premium payments, if any or fee contributions, written notice of such cancellation must be sent by the policyholder by mail mailed to said the survivor's last known address at least 15 days prior to such before the cancellation. If the coverage is provided under a group policy or plan, any required premium or fee contributions for the coverage shall be paid by the survivor to the group policyholder or contract

*holder for remittance to the insurer, nonprofit health service plan corporation, or health maintenance organization.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 62A.21, Subdivision 2a, is amended to read:

Subd. 2a. [CONTINUATION PRIVILEGE.] Every **group** policy described in subdivision 1 shall contain a provision which permits continuation of coverage under the policy for the insured's former spouse and *dependent* children upon entry of a valid decree of dissolution of marriage, if the decree requires the insured to provide continued coverage for those persons. The coverage may be continued until the earlier of the following dates:

(a) The date of remarriage of either the insured or the insured's former spouse; or

(b) The date coverage would otherwise terminate under the **group** policy.

*If the coverage is provided under a group policy, any required premium contributions for the coverage shall be paid by the insured to the group policyholder for remittance to the insurer.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 62A.21, Subdivision 2b, is amended to read:

Subd. 2b. [CONVERSION PRIVILEGE.] Every **group** policy described in subdivision 1 shall contain a provision allowing a former spouse *and dependent children* of an insured, without providing evidence of insurability, to obtain from the insurer at the expiration of any continuation of coverage required under subdivision 2a or section 62A.146, or upon termination of coverage by reason of an entry of a valid decree of dissolution which does not require the insured to provide continued coverage for the former spouse *and dependent children*, conversion coverage providing at least the minimum benefits of a qualified plan as prescribed by section 62E.06 and the option of a number three qualified plan, a number two qualified plan, a number one qualified plan as provided by section 62E.06, subdivisions 1 to 3, provided application is made to the insurer within 30 days following *notice of* the expiration of the continued coverage and upon payment of the appropriate premium. A policy providing reduced benefits at a reduced premium rate may be accepted by the former spouse *and dependent children* in lieu of the optional coverage otherwise required by this subdivision. The individual policy shall be renewable at the option of the former spouse as long as the former spouse is not covered under another qualified plan as defined in section 62E.02, subdivision 4, up to age 65 or to the day before the date of eligibility for coverage under Title XVIII of the Social Security Act, as amended. Any revisions in the table of rate for the individual policy shall apply to the former spouse's original age at entry, and shall apply equally to all similar policies issued by the insurer.

Sec. 5. Minnesota Statutes 1980, Section 62C.142, is amended to read:

62C.142 [CONTINUATION AND CONVERSION PRIVILEGE PRIVILEGES FOR FORMER SPOUSE SPOUSES AND CHILDREN.]

Subdivision 1. [TERMINATION OF COVERAGE.] No subscriber contract of a nonprofit health service plan corporation which, in addition to covering the subscriber, also covers the subscriber's spouse shall contain a provision for termination of coverage for a spouse covered under the subscriber contract

solely as a result of a break in the marital relationship except by reason of an entry of a valid decree of dissolution of marriage between the parties.

Subd. 2. [CONVERSION PRIVILEGE.] Every subscriber contract, other than a contract whose continuance is contingent upon continued employment or membership, which contains a provision for termination of coverage of the spouse upon dissolution of marriage shall contain a provision to the effect that upon the entry of a valid decree of dissolution of marriage between the covered parties the spouse shall be entitled to have issued to him or her allowing a former spouse and dependent children of a subscriber, without providing evidence of insurability, upon application made to the corporation within 30 days following the entry of the decree and upon the payment of the appropriate fee, an individual subscriber contract. The contract shall provide the coverage then being issued by the corporation which is most nearly similar to, but not greater than, the terminated coverage. Any probationary or waiting period set forth in the conversion contract shall be considered as being met to the extent coverage was in force under the prior contract to obtain from the corporation at the expiration of any continuation of coverage required under subdivision 2a or section 62A.146, or upon termination of coverage by reason of an entry of a valid decree of dissolution which does not require the insured to provide continued coverage for the former spouse, an individual subscriber contract providing at least the minimum benefits of a qualified plan as prescribed by section 62E.06 and the option of a number three qualified plan, a number two qualified plan, a number one qualified plan as provided by section 62E.06, subdivisions 1 to 3, provided application is made to the corporation within 30 days following notice of the expiration of the continued coverage and upon payment of the appropriate fee. A subscriber contract providing reduced benefits at a reduced fee may be accepted by the former spouse and dependent children in lieu of the optional coverage otherwise required by this subdivision. The individual subscriber contract shall be renewable at the option of the former spouse as long as the former spouse is not covered under another qualified plan as defined in section 62E.02, subdivision 4, up to age 65 or to the day before the date of eligibility for coverage under Title XVIII of the Social Security Act, as amended. Any revisions in the table of rate for the individual subscriber contract shall apply to the former spouse's original age at entry, and shall apply equally to all similar contracts issued by the corporation.

Subd. 2a. [CONTINUATION PRIVILEGE.] Every subscriber contract, other than a contract whose continuance is contingent upon continued employment or membership, shall contain a provision which permits continuation of coverage under the contract for the subscriber's former spouse and children upon entry of a valid decree of dissolution of marriage, if the decree requires the subscriber to provide continued coverage for those persons. The coverage may be continued until the earlier of the following dates:

(a) The date of remarriage of either the subscriber or the subscriber's former spouse; or

(b) The date coverage would otherwise terminate under the subscriber contract.

Subd. 3. [APPLICATION.] This section Subdivision 1 applies to every subscriber contract which is delivered, issued for delivery, renewed or amended on or after the effective date of this section July 19, 1977.

*Subdivisions 2 and 2a apply to every subscriber contract which is delivered, issued for delivery, renewed, or amended on or after August 1, 1982.*

Sec. 6. Minnesota Statutes 1980, Section 62D.101, is amended to read:

**62D.101 [CONTINUATION AND CONVERSION PRIVILEGES FOR FORMER SPOUSES AND CHILDREN.]**

Subdivision 1. [TERMINATION OF COVERAGE.] No health maintenance contract which, in addition to covering an enrollee, also covers the enrollee's spouse shall contain a provision for termination of coverage for a spouse covered under the health maintenance contract solely as a result of a break in the marital relationship except by reason of an entry of a valid decree of dissolution of marriage between the parties.

Subd. 2. [CONVERSION PRIVILEGE.] Every health maintenance contract, other than a contract whose continuance is contingent upon continued employment or membership, which contains a provision for termination of coverage of the spouse upon dissolution of marriage shall contain a provision to the effect that upon the entry of a valid decree of dissolution of marriage between the covered parties the spouse shall be entitled to have issued to him or her allowing a former spouse and dependent children of an enrollee, without providing evidence of insurability, upon application made to the health maintenance organization within 30 days following the entry of the decree, and upon the payment of the appropriate fee, an individual health maintenance contract. The contract shall provide the coverage then being issued by the organization which is most nearly similar to, but not greater than, the terminated coverage. Any probationary or waiting period set forth in the conversion contract shall be considered as being met to the extent coverage was in force under the prior contract to obtain from the health maintenance organization at the expiration of any continuation of coverage required under subdivision 2a or section 62A.146, or upon termination of coverage by reason of an entry of a valid decree of dissolution which does not require the health maintenance organization to provide continued coverage for the former spouse, an individual health maintenance contract providing at least the minimum benefits of a qualified plan as prescribed by section 62E.06 and the option of a number three qualified plan, a number two qualified plan, a number one qualified plan as provided by section 62E.06, subdivisions 1 to 3, provided application is made to the health maintenance organization within 30 days following notice of the expiration of the continued coverage and upon payment of the appropriate fee. A contract providing reduced benefits at a reduced fee may be accepted by the former spouse and dependent children in lieu of the optional coverage otherwise required by this subdivision. The individual health maintenance contract shall be renewable at the option of the former spouse as long as the former spouse is not covered under another qualified plan as defined in section 62E.02, subdivision 4, up to age 65 or to the day before the date of eligibility for coverage under Title XVIII of the Social Security Act, as amended. Any revisions in the table of rate for the individual contract shall apply to the former spouse's original age at entry, and shall apply equally to all similar contracts issued by the health maintenance organization.

Subd. 2a. [CONTINUATION PRIVILEGE.] Every health maintenance contract, other than a contract whose continuance is contingent upon continued employment or membership, shall contain a provision which permits con-

*tinuation of coverage under the contract for the enrollee's former spouse and children upon entry of a valid decree of dissolution of marriage, if the decree requires the enrollee to provide continued coverage for those persons. The coverage may be continued until the earlier of the following dates:*

*(a) The date of remarriage of either the enrollee or the enrollee's former spouse; or*

*(b) The date coverage would otherwise terminate under the health maintenance contract.*

Subd. 3. [APPLICATION.] ~~This section~~ *Subdivision 1* applies to every health maintenance contract which is delivered, issued for delivery, renewed or amended on or after ~~the effective date of this section~~ *July 19, 1977.*

*Subdivisions 2 and 2a apply to every health maintenance contract which is delivered, issued for delivery, renewed, or amended on or after August 1, 1982."*

Delete the title and insert:

"A bill for an act relating to accident and health insurance; broadening continuation and conversion privileges of survivors and former spouses; amending Minnesota Statutes 1980, Sections 62A.145; 62A.146; 62C.142; and 62D.101; and Minnesota Statutes 1981 Supplement, Section 62A.21, Subdivisions 2a and 2b."

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

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

S.F. No. 1818: A bill for an act relating to credit unions; providing for maximum interest rates on the unpaid balance of loans made by a credit union; making a temporary, superseding interest rate provision permanent; amending Minnesota Statutes 1980, Section 52.14, Subdivision 2; repealing Minnesota Statutes 1980, Section 52.14, Subdivision 1.

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

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1980, Section 48.153, Subdivision 1a, is amended to read:

Subd. 1a. ~~(a) Notwithstanding subdivision 1,~~ A bank organized under the laws of this state, or a national banking association doing business in this state, making a loan of money not exceeding \$35,000 repayable in installments, may charge, at the time the loan is made, a rate of interest upon the unpaid principal balance of the amount financed of 12 percent a year, or the rate of interest authorized by section ~~334.014~~ *48.195*, whichever is greater. If the rate of interest charged is permitted by section ~~334.014~~ *48.195* at the time the loan is made, the rate does not later become usurious because of a fluctuation in the federal discount rate.

~~(b) This subdivision supersedes subdivision 1 from April 8, 1980 until June 30, 1982.~~

Sec. 2. Minnesota Statutes 1980, Section 48.153, Subdivision 3a, is

amended to read:

Subd. 3a. ~~(a) Notwithstanding subdivision 3,~~ A savings bank organized pursuant to under chapter 50, a savings association or savings and loan association subject to the provisions of sections 51A.01 to 51A.57, or a savings and loan association chartered under the laws of the United States, that has its principal place of business in this state, may make a loan for consumer purposes to a natural person in an amount not exceeding \$25,000-repayable in installments, and may charge a rate of interest upon the unpaid principal balance of the amount financed of 12 percent a year, or the rate of interest authorized by section ~~334.011~~ 48.195, whichever is greater. If the rate of interest charged is permitted by section ~~334.011~~ 48.195 at the time the loan is made, the rate does not later become usurious because of a fluctuation in the federal discount rate.

~~(b) This subdivision supersedes subdivision 3 from April 8, 1980 until June 30, 1982.~~

Sec. 3. Minnesota Statutes 1981 Supplement, Section 48.195, is amended to read:

48.195 [INTEREST RATES; USURY LIMIT FOR BANKS DEPOSITORY INSTITUTIONS.]

Notwithstanding any law to the contrary, ~~banks and a bank,~~ savings banks bank, savings association, savings and loan association, or credit union organized under the laws of this state ~~and any~~, or a national bank or federally chartered savings bank, savings and loan association, or credit union, doing business in this state, may charge on any loan or discount made or upon any note, bill or other evidence of debt, except an extension of credit made pursuant to section 48.185, interest at a rate of not more than four and one-half percent in excess of the discount rate, including any surcharge thereon, on 90 day commercial paper in effect at the federal reserve bank located in the Ninth Federal Reserve District."

Page 1, lines 15 and 17, strike "334.011" and insert "48.195"

Page 1, line 23, delete "Section" and insert "Sections 48.153, Subdivisions 1 and 3; and"

Page 1, line 23, delete "is" and insert "are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "credit unions" and insert "financial institutions"

Page 1, line 4, after the first "a" insert "bank, savings bank, savings association, or"

Page 1, line 6, delete "Section" and insert "Sections 48.153, Subdivisions 1a and 3a;"

Page 1, line 6, after "2;" insert "Minnesota Statutes 1981 Supplement, Section 48.195;"

Page 1, line 7, delete "Section" and insert "Sections 48.153, Subdivisions 1 and 3; and"

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

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

S.F. No. 518: A bill for an act relating to cable communications; changing certain definitions and procedures relating to cable communications system franchises and operations; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.03; 238.06, Subdivision 6; 238.08, Subdivision 4; 238.09, Subdivisions 6 and 7; 238.11, Subdivision 2; and 238.12, Subdivisions 1 and 2; repealing Minnesota Statutes 1980, Section 238.05, Subdivisions 6 and 7.

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

Page 1, line 15, strike "shall mean any" and insert "means a"

Page 1, line 18, strike "any"

Page 1, line 20, strike "such" and insert "the"

Page 1, line 21, strike "such" in both instances and insert "the"

Page 1, line 22, strike "Such" and insert "The"

Page 1, lines 23, 24, 25, and 28, strike "any" and insert "a"

Page 2, line 5, strike "The provisions of"

Page 2, line 5, strike "shall"

Page 2, line 13, strike "contemplated by the provisions"

Page 2, line 14, strike "shall be deemed to be" and insert "are"

Page 2, line 14, strike "the provisions of"

Page 2, line 15, strike "may have" and insert "has"

Page 2, line 16, delete "Provided, however,"

Page 2, delete lines 17 to 20

Page 2, after line 20, insert:

"Sec. 3. Minnesota Statutes 1980, Section 238.05, is amended by adding a subdivision to read:

*Subd. 18. The board shall adopt rules to ensure that all cable communications systems as defined in section 238.02, subdivision 3, and all systems which would meet that definition but for the number of subscribers served, provide adequate access for educational and governmental programming. In adopting the rules, the board shall give consideration to both the needs of the community and the capability of the system."*

Page 2, line 23, strike "any" and insert "a"

Page 2, line 26, strike "may deem" and insert "deems"

Page 2, line 28, after the period, insert "The board shall not release"

Page 2, line 30, delete "shall not be released"

Page 2, line 32, delete ", and shall be"



Page 2, line 33, delete "*considered non-public data within the meaning of section 15,162*"

Pages 2 and 3, delete section 4

Page 3, line 11, strike "every" and insert "a"

Page 3, line 12, strike "be required to"

Page 3, line 14, strike "such" and insert "the"

Page 3, lines 18 and 25, strike "any" and insert "an"

Page 3, line 22, strike "Any" and insert "A"

Page 3, lines 30 and 31, strike "any" and insert "a"

Page 3, line 32, delete "*, provided*" and insert a period

Page 4, delete section 10

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the second semicolon, insert "238.05, by adding a subdivision;"

Page 1, line 6, delete "238.08,"

Page 1, line 7, delete "Subdivision 4;"

Page 1, line 8, delete the second semicolon

Page 1, delete line 9

Page 1, line 10, delete "Subdivisions 6 and 7"

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

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

S.F. No. 1684: A bill for an act relating to commerce; providing uniformity in requiring insurance of accounts in depository financial institutions; clarifying examination reports as confidential records; clarifying permissible transactions at financial institutions by examiners; defining building and loan association; clarifying financial institution real estate investment authority; establishing an application procedure for certain bank detached facilities; providing for clearly differentiating a detached facility from the parent bank principal office; establishing a uniform authority for financial institutions' limited trust powers and individual housing accounts; clarifying certain words, terms and phrases relating to supervision of banks and trust companies; eliminating the filing requirement for bank directors' oaths; clarifying exceptions to prohibition against bank or trust company sale of assets; providing for uniform quarterly reporting by banks or trust companies; providing uniform capital requirements for stock savings banks and approval procedures for amending articles or certificates of incorporation; removing inconsistencies in fees payable to secretary of state; removing the expiration date for the credit union advisory council; removing inconsistencies with earlier laws regarding certificate loan plans of industrial loan and thrift companies; providing for liquidity reserve requirements by insured industrial loan and thrift companies consistent

with other depository institutions; providing for reasonable fees, annual renewals and surety bond limits for licensing safe deposit companies; clarifying default charges, deferments, conversion rights, interest after maturity and issuance of receipts on regulated loans; limiting licensing and examination of sales finance companies to those located in this state; authorizing the restatement of articles of incorporation of financial institutions; amending Minnesota Statutes 1980, Sections 46.07, Subdivision 2; 46.09, as amended; 47.01, Subdivision 5; 47.10; 48.01, Subdivision 1; 48.16; 48.21; 48.76; 50.25; 51A.23, Subdivision 6; 52.061; 52.24; 53.04, Subdivision 5; 53.07; 55.04, Subdivision 2; 55.05; 168.66, Subdivision 8; Minnesota Statutes 1981 Supplement, Sections 48.06; 48.48; 51A.03, Subdivision 5; 56.131, Subdivision 1; 56.14; proposing new law coded in Minnesota Statutes, Chapters 45; 47; 55; and 300; repealing Minnesota Statutes 1980, Sections 47.16, Subdivision 2; 48.159, Subdivision 1; 48.25; 50.157, Subdivision 1; 51A.21, Subdivision 16; 52.135; Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; and 52.136.

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

Page 2, line 12, delete "*full force and*"

Page 2, lines 13 and 27, delete "*or any*" and insert ", *an*"

Page 2, lines 14 and 27, delete "*other*" and insert "*a*"

Page 2, line 19, after "*corporation*" delete "*or any*" and insert ", *an*"

Page 2, line 19, delete the second "*any*" and insert "*a*"

Page 2, line 21, delete "*a bank is as*" and insert "*bank*" means a bank"

Page 2, line 24, delete "*any*" and insert "*a*"

Page 2, line 33, delete the comma

Page 3, line 6, after "*corporation*" delete "*or any*" and insert ", *an*"

Page 3, line 6, delete the second "*any*" and insert "*a*"

Page 3, line 15, strike "*any*" and insert "*an*"

Page 3, line 16, strike "*such*"

Page 3, line 16, strike "*any*" and insert "*a*"

Page 3, line 20, strike "*of*"

Page 3, line 22, strike "*any*" in both places and insert "*a*"

Page 3, line 24, strike "*any such*" and insert "*an*"

Page 3, line 25, strike the second "*any*" and insert "*an*"

Page 3, line 32, delete "*1980*" and insert "*1981 Supplement*"

Page 3, line 32, delete "*as amended*"

Page 3, line 33, delete "*by Laws 1981, Chapter 31, Section 1,*"

Page 4, line 1, after "*1.*" insert "[*PROHIBITION.*]"

Page 4, line 5, strike "*any*" and insert "*a*"

Page 4, line 16, strike "shall" and insert "do"

Page 4, line 18, after "2." insert "[EXCEPTIONS.]"

Page 5, line 2; after "3." insert "[LOANS AND CREDIT ADVANCES.]"

Page 5, line 2, delete "shall" and insert "do"

Page 5, lines 3 and 8, delete "any" and insert "a"

Page 5, line 5, delete "Any" and insert "A"

Page 5, line 6, delete "shall be" and insert ", is"

Page 5, line 15, after "and" insert "which"

Page 5, line 32, delete "where" and insert "if"

Page 6, lines 2 and 22, delete "where" and insert "if"

Page 6, lines 29 and 35, delete "Any" and insert "A"

Page 7, line 3, delete "together with"

Page 7, line 8, delete the comma

Page 7, line 24, delete "greater than" and insert "outside"

Page 7, line 29, delete "All" and insert "A"

Page 7, line 29, delete "facilities shall" and insert "facility must"

Page 7, line 29, delete "as"

Page 7, line 30, delete "such"

Page 7, line 30, delete "their" and insert "its"

Page 7, line 30, delete "to include words that" and insert "in a manner which"

Page 7, line 31, delete "differentiate the facility" and insert "differentiates it"

Page 7, line 31, delete "bank"

Page 7, line 31, delete "and" and insert "of the parent bank. The identification must include"

Page 7, line 36, delete "shall have the power to" and insert "may"

Page 7, line 36, delete "within"

Page 8, line 1, delete "the contemplation of" and insert "under"

Page 8, line 2, delete "within the"

Page 8, line 3, delete "contemplation of" and insert "under"

Page 8, line 5, delete "such" and insert "the"

Page 8, line 15, delete "shall have the power to" and insert "may"

Page 8, lines 23 and 25, strike "shall have" and insert "has"

Page 8, line 29, strike "When" and insert "If"

Page 8, line 29, strike "shall exceed" and insert "exceeds"

- Page 8, line 35, strike "any" and insert "a"
- Page 9, line 2, strike "same" and insert "stock"
- Page 9, line 4, strike "or her"
- Page 9, line 23, delete "any" and insert "a"
- Page 9, line 30, delete "any" and insert "an"
- Page 9, line 33, strike "any"
- Page 10, line 3, strike "for the following purposes" and insert "only"
- Page 10, line 4, strike "Such"
- Page 10, line 10, delete "is"
- Page 10, lines 12, 15, and 18, strike "Such as is" and insert "If"
- Page 10, lines 12 and 19, strike "any" and insert "a"
- Page 10, line 13, strike "by way of" and insert "as"
- Page 10, line 13, after "made" insert "by"
- Page 10, line 14, strike "such bank" and insert "it"
- Page 10, line 19, delete "and" and insert "or"
- Page 10, line 20, delete "Such as may be" and insert "If"
- Page 10, strike line 22
- Page 10, line 23, strike "estate in any case or for any other purpose whatever."
- Page 10, line 24, strike "in the cases contemplated in" and insert "under"
- Page 10, line 25, delete "(4)" and insert "(5)"
- Page 11, lines 5, 35, and 36, strike "any" and insert "a"
- Page 11, line 36, strike "shall have" and insert "has"
- Page 12, line 4, strike "shall order" and insert "orders"
- Page 12, line 21, strike "Any" and insert "A"
- Page 13, line 35, delete "full force and"
- Page 14, lines 1 and 7, strike "or any" and insert "an"
- Page 14, line 8, strike "any" and insert "a"
- Page 15, line 18, delete "full force and"
- Page 16, line 12, strike "such"
- Page 16, line 12, strike the second "may"
- Page 16, line 14, strike "such"
- Page 16, line 14, strike "may"
- Page 16, line 15, strike "upon the same" and insert "on them"
- Page 16, line 17, strike "such" in both places

Page 16, line 17, strike "as may be"

Page 16, line 17, strike "; and" and insert a period

Page 16, line 33, delete "any" and insert "an"

Page 17, line 34, strike "such"

Page 17, line 35, strike "as"

Page 17, line 35, strike "may require" and insert "requires"

Page 18, line 13, strike "to a"

Page 18, strike line 14

Page 18, line 15, strike "partnership"

Page 18, line 15, strike "it" and insert "the applicant"

Page 18, line 17, strike "the amount"

Page 18, line 18, strike "thereof to be" and insert "as"

Page 18, line 18, strike the comma and insert ". The bond must be"

Page 18, line 19, strike the comma

Page 18, line 20, strike ", to" and insert "and must"

Page 18, line 20, strike "its" and insert "the safe deposit company's"

Page 18, line 21, strike the comma

Page 18, line 21, strike "to"

Page 18, line 22, strike "This" and insert "The"

Page 18, line 22, strike "shall" and insert "must"

Page 18, line 23, strike "who shall be in any manner"

Page 18, line 24, strike the comma

Page 18, line 24, strike "by"

Page 18, line 26, strike the comma

Page 18, line 27, strike "full force and"

Page 18, line 28, strike "licensed hereunder"

Page 18, line 32, strike the first "any" and insert "a"

Page 18, line 32, strike the second "any"

Page 18, line 33, strike the second "for"

Page 18, line 34, strike "full"

Page 21, line 10, delete the parenthesis before "If"

Page 24, line 3, after "adopt" insert "a"

Page 24, line 4, delete "certificates" and insert "certificate"

Page 24, lines 5 and 7, after the period, insert "The"

Page 24, line 9, after "in" insert "the"

Page 24, line 16, delete "any" and insert "a"

Page 24, line 20, after the first "of" insert "the"

Page 24, line 21, after the period, insert "The"

Page 24, after line 26, insert:

"Sec. 29. Minnesota Statutes 1980, Section 580.23, Subdivision 1, is amended to read:

Subdivision 1. When lands have been sold in conformity with the preceding sections of this chapter the mortgagor, his personal representatives or assigns, within six months after such sale, except as otherwise provided in subdivision 2, may redeem such lands, as hereinafter provided, by paying the sum of money for which the same were sold, with interest from the time of sale at the rate provided to be paid on the mortgage debt, ~~not to exceed eight percent per annum~~, and, if no rate be provided in the mortgage note, at the rate of six percent per annum, together with any further sums which may be payable pursuant to section 582.03. Where the redemption period is as provided in this subdivision the mortgagee, or his successors, assigns, or personal representative, or any other purchaser so purchasing at the sheriff's sale shall by purchasing the property at the sheriff's sale thereby waive his right to a deficiency judgment against the mortgagor."

Page 24, line 34, delete "29" and insert "30"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 39, after the semicolon, insert "removing ceiling on interest rate paid by mortgagor during redemption period;"

Page 1, line 44, after "8;" insert "580.23, Subdivision 1;"

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

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

S.F. No. 1865: A bill for an act relating to cable communications; changing the definition of cable communications system; reducing the number of days available to the metropolitan council for review of cable service territory proposals; conforming the certificate of confirmation term to the franchise term; authorizing rules preventing obstruction of service to multiple unit dwellings; providing to municipalities the option concerning cable service rates information included in a franchise; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.05, Subdivision 7, and by adding a subdivision; 238.09, Subdivisions 6 and 7, and by adding a subdivision; 238.12, by adding a subdivision; repealing Minnesota Statutes 1980, Section 238.12, Subdivisions 1 and 2.

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

Page 1, lines 22, 30, and 31, strike "any" and insert "a"

Page 1, line 24, strike "any"

Page 2, lines 1 and 4, strike "any" and insert "a"

Page 2, line 18, delete "*shall promulgate*" and insert "*may adopt*"

Page 2, line 18, delete "*which would*" and insert "*to*"

Page 2, line 19, delete "*provide*" and insert "*ensure*"

Page 2, line 19, after "*access*" insert "*by cable systems*"

Page 2, line 19, delete "*by cable*"

Page 2, line 20, delete "*communication companies*" and insert "*and any site, lot, field, or tract of land and water upon which two or more occupied mobile or immobile dwelling units are located*"

Page 2, line 23, strike "*every*" and insert "*a*"

Page 2, line 24, strike "*be required to*"

Page 2, line 27, delete "*section*" and insert "*subdivision*"

Page 2, line 31, strike "*any*" and insert "*an*"

Page 2, line 34, strike "*Any*" and insert "*A*"

Page 3, line 1, strike "*any*" and insert "*an*"

Amend the title as follows:

Page 1, line 9, after "*dwellings*" insert "*and tracts of multiple dwelling units*"

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

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

S.F. No. 1761: A bill for an act relating to credit unions; providing for approval of amendments to certificates of organization and bylaws; authorizing the board of directors to appoint a credit committee or a credit manager; prescribing the powers of a credit committee and credit manager; amending Minnesota Statutes 1980, Section 52.02; 52.08; 52.09, Subdivision 2; and 52.10.

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 52.02, is amended to read:  
52.02 [BYLAWS AND AMENDMENTS, APPROVAL.]

*Subdivision 1. [AMENDMENTS BY MEMBERS.]* To amend *the* certificate of organization or bylaws, proposed amendments shall be set forth as follows:

(a) (1) if balloting by mail has not been authorized by the board of directors, then the proposed amendments shall be set forth in the notice of the meeting; or

(b) (2) if balloting by mail has been authorized by the board of directors as either the exclusive means of voting or in conjunction with voting in person, the proposed amendments shall be set forth in a notice mailed to all members eligible to vote at least ten days prior to the close of balloting by mail. Any

amendments to the certificate of organization or bylaws shall be approved by two-thirds vote of the members actually voting, ~~provided~~ if the members actually voting constitute a quorum.

*Subd. 2. [BYLAW AMENDMENTS BY DIRECTORS.] The members may, pursuant to subdivision 1, provide for the bylaws to be amended by the board of directors. If the bylaws permit amendment by the directors, any amendments shall be approved by a two-thirds vote of the total number of directors authorized. The board of directors shall not adopt, amend, or repeal a bylaw fixing a quorum for meetings of members, prescribing procedures for removing directors or filling vacancies in the board, or fixing the number of directors or their classifications, qualifications, or terms of office, but may adopt or amend a bylaw to increase the number of directors. If three percent or more of all members propose a resolution for action by the members to adopt, amend, or repeal bylaws adopted, amended, or repealed by the board and the resolution sets forth the provisions proposed for adoption, amendment, or repeal, the resolution shall be submitted to the members for a vote as provided in subdivision 1.*

*Subd. 3. [APPROVAL.] Any and all Amendments to the certificate of organization or bylaws must be approved by the commissioner of banks before they become operative. The commissioner shall not unreasonably withhold such approval if such the amendments do not violate any provision of this chapter or other state law. In any event, the commissioner shall approve or disapprove the proposed amendment within 90 60 days of the date the proposed amendment is submitted to him the commissioner by the credit union. In case of disapproval the credit union shall have the right to appeal to a court of competent jurisdiction within the time limits as stated in clause (5) of section 52.01, clause (5). In case the any amendment to the certificate of organization is adopted, the resolution, containing a full text thereof of the amendment and verified by its president and treasurer and approved by the commissioner of banks, shall be recorded in the office of the county recorder in the county in which the credit union is located. If the amendment proposes to change the place of business from one county to another, it shall be recorded in the office of the county recorder of the county of the place of business immediately prior to the amendment and a certified copy of the original certificate of organization and all amendments thereto to it shall be recorded in the office of the county recorder in the county in which the credit union desires to do business.*

Sec. 2. Minnesota Statutes 1980, Section 52.08, is amended to read:

52.08 [ANNUAL MEETING.]

At the annual meeting (the organization meeting shall be the first annual meeting) the credit union shall elect a board of directors of not less than five members, a credit committee of not less than three members, and a supervisory committee of three members, and may elect a credit committee of not less than three members, all to hold office for such the terms, respectively, as provided in the bylaws provide and until successors qualify. Some or all of such the terms of office may be staggered, as provided in the bylaws provide. A record of the names and addresses of the members of the board and committees and the officers shall be filed with the commissioner of banks within ten days of their election. No full time manager of a credit union shall be a director of such a credit union operating under this chapter.



*The organization meeting shall be the first annual meeting.*

Sec. 3. Minnesota Statutes 1980, Section 52.09, Subdivision 2, is amended to read:

Subd. 2. [PARTICULAR DUTIES.] It shall be the duty of the directors to have general management of the affairs of the credit union, particularly:

(1) to act on applications for membership, ~~provided that~~. This power may be delegated to a membership chairman who ~~shall serve~~ *serves* at the pleasure of the board of directors and ~~is~~ *is* subject to its rules, ~~however such~~. *The* application shall contain a certification signed by the membership chairman or a member of the board showing the basis of membership;

(2) to determine interest rates on loans and on deposits. The interest period on deposits may be on a daily, monthly, quarterly, semi-annual or annual basis, and may be paid on all deposits whether or not ~~said~~ *the* deposits have been withdrawn during the interest period. Interest may be computed on a daily basis. At the discretion of the board of directors interest may not be paid on deposit accounts of less than \$10;

(3) to fix the amount of the surety bond which shall be required of all officers and employees handling money;

(4) to declare dividends, and to transmit to the members, recommended amendments to the bylaws;

(5) to fill vacancies in the board and in the credit committee until successors are chosen and qualify at the next annual meeting;

(6) to limit the number of shares and deposits which may be owned by a member, not to exceed ~~10~~ *ten* percent of the outstanding shares and deposits, or \$2,000, whichever is larger, and the maximum individual loan which can be made with and without security, including liability indirectly as a co-maker, guarantor, or endorser to ~~10~~ *ten* percent of outstanding shares and deposits; ~~provided, however, that~~. The ~~10~~ *ten* percent share and deposit limitation shall not be applicable to the Minnesota Central Credit Union, or to credit unions insured by the National Credit Union Administration;

(7) to have charge of investments ~~other than~~ *including* loans to members, ~~unless a credit committee is established pursuant to section 52.08 or paragraph (13) of this subdivision;~~

(8) to fix the salaries of the treasurer and other employees, which shall be on a fixed monthly or annual basis, in dollars (not percentage);

(9) to designate the bank or banks in which the funds of the credit union shall be deposited;

(10) to authorize the officers of the credit union to borrow money from any source, as provided in section 52.15;

(11) with the permission of the commissioner of banks to suspend any member or members of the credit committee or supervisory committee if it deems ~~such~~ *this* action to be necessary to the proper conduct of the credit union, and to call the members together to act on the suspension within a reasonable time after the suspension. The members at the meeting may, by majority vote of those present, sustain the suspension and remove the committee members

permanently or may reinstate the committee members; and

(12) to provide financial assistance to the supervisory committee in carrying out its audit responsibilities; and

(13) if the bylaws so provide and no credit committee has been elected pursuant to section 52.08, to appoint a credit manager or a credit committee of not less than three members.

Sec. 4. Minnesota Statutes 1980, Section 52.09, Subdivision 3, is amended to read:

Subd. 3. [OFFICERS, BYLAWS; COMPENSATION.] The duties of the officers shall be as determined in the bylaws, except that the treasurer may be the general manager. No member of the board or of either, the supervisory committee or an elected credit committee shall receive a salary as such, but may be compensated for time actually spent in his official duties at an hourly rate as determined by the annual meeting of members.

Sec. 5. Minnesota Statutes 1980, Section 52.10, is amended to read:

52.10 [CREDIT COMMITTEE; CREDIT MANAGER; POWERS.]

*Subdivision 1. [AUTHORITY OF CREDIT COMMITTEE.]* The credit committee shall have the general supervision of all loans to members as provided herein. Applications for loans shall be on a form prepared by the credit committee, shall set forth the purpose for which the loan is desired, the security, if any, offered and such other data as may be required. Within the meaning of this section, an assignment of shares or deposits or the endorsement of a note may be deemed security. Except where the credit committee approves the extension of a self-replenishing line of credit pursuant to section 52.16, subdivision 2, at least a majority of the members of the credit committee shall pass on all loans and approval must be in writing and by unanimous vote of the members present. The credit committee shall meet as often as may be necessary after due notice to each member thereof of the committee. ~~Provided, however,~~ In the case of any credit union having total assets in excess of \$10,000, the board of directors may authorize the credit committee to appoint one or more loan officers. Loan officers, subject to the supervision of the committee, may be delegated authority by the credit committee, to act on all or some applications for loans and to approve them, reporting thereon to the credit committee at their next meeting or within 15 days. The credit committee and the board of directors, meeting jointly and acting collectively as a whole, shall have the general supervision of all loans to a member who is a director, officer, or a member of the credit or supervisory committee whenever the application exceeds the amount of the member's holdings in shares and deposits. Application for these loans shall be in similar form as may be required to be furnished to the credit committee for a loan in the case of any other member. At least a majority of the members of the credit committee and of the board of directors at a joint meeting and acting collectively as a whole, shall pass on all such loans in the absence of the applicant, and the approval of the loan must be in writing and by unanimous vote of all members present. The credit committee and the board of directors shall meet for this purpose as often as may be necessary after due notice to each member thereof of the board and credit committee.

*Subd. 2. [AUTHORITY OF CREDIT MANAGER.]* If a credit manager is appointed, the board shall have the powers and responsibilities described in

*subdivision 1 for a credit committee. The board may delegate in writing any or all of these powers and responsibilities to a credit manager.*

Sec. 6. Minnesota Statutes 1980, Section 52.135, is amended to read:

52.135 [INDIVIDUAL RETIREMENT ACCOUNTS.]

A credit union, upon approval of the commissioner of banks of an application in the prescribed form filed with him together with a filing fee of \$100, may act as trustee or custodian within the contemplation of the federal self-employed individuals tax retirement act of 1962, as amended and may act as trustee or custodian within the contemplation of the federal employee retirement income security act of 1974, as amended, to establish an individual retirement account. The funds shall be invested only in savings, or time deposits, except that this restriction shall not prevent a credit union from accepting and retaining, as a deposit, property or investments derived from any qualified plan from which the applicant desires to transfer the property.

Funds held in the fiduciary capacity may be commingled for purposes of investment or for other purposes approved by the commissioner of banks, but individual records shall be maintained by the fiduciary for each participant and show in detail all transactions engaged in under authority of this section. In passing upon applications the commissioner shall take into consideration all pertinent facts that relate to a credit union's financial responsibility and may grant or refuse the application accordingly.

*Notwithstanding the provisions of sections 52.04, subdivision 1, clause (1), and 52.05, a credit union may receive payment as deposits to establish an individual retirement account for the spouse of a blood or adoptive relative of a regularly qualified member if the blood or adoptive relative is a member of the credit union."*

Amend the title as follows:

Delete the title and insert:

"A bill for an act relating to credit unions; providing for approval of amendments to certificates of organization and bylaws; authorizing the board of directors to appoint a credit committee or a credit manager; prescribing the powers of a credit committee and credit manager; allowing certain non-members to establish individual retirement accounts; amending Minnesota Statutes 1980, Sections 52.02; 52.08; 52.09, Subdivisions 2 and 3; 52.10; and 52.135."

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

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.

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

Pages 1 and 2, delete sections 1 and 2 and insert:

“Section 1. Minnesota Statutes 1980, Section 171.06, is amended by adding a subdivision to read:

*Subd. 2a. [FEE INCREASED.] The fee for any duplicate drivers license which is obtained for the purpose of adding a two-wheeled vehicle endorsement is increased by \$6 for each first such duplicate license and \$4 for each renewal thereof. The additional fee shall be paid into the state treasury and credited to the motorcycle safety fund which is hereby created.*

*All application forms prepared by the commissioner for two-wheeled vehicle endorsements shall clearly contain the information that of the total fee charged for the endorsement, \$4 is dedicated to the motorcycle safety fund.*

Sec. 2. Minnesota Statutes 1980, Section 297B.035, is amended by adding a subdivision to read:

*Subd. 4. Motorized bicycles, as defined in section 168.011, subdivision 27, purchased for resale in the ordinary course of business shall be exempt from the provisions of this chapter if the person purchasing the motorized bicycles has a permanent enclosed commercial building or structure either owned in fee or leased and is engaged in the business of selling motorized bicycles, either exclusively or in addition to any other occupation.”*

Page 2, after line 2, insert:

*“Subdivision 1. [ADVISORY COMMITTEE ESTABLISHED.] There is hereby created an advisory committee on motorcycle safety. The committee shall be appointed by the commissioners of education and public safety and shall consist of no more than eight members which shall include educational, safety and motorcycling representatives. The committee will serve at no expense to the state and shall expire September 30, 1984.”*

Page 2, line 3, delete “Subdivision 1.” and insert “Subd. 2.”

Page 2, line 5, delete “commissioner” and insert “commissioners”

Page 2, line 5, after “of” insert “public safety and”

Page 2, line 5, after “education” insert “with the advice of the advisory committee on motorcycle safety. The program shall include but is not limited to training and coordination of motorcycle safety instructors; motorcycle safety promotion and public information, and reimbursement for the cost of approved courses offered by schools and organizations”

Page 2, line 5, delete “The”

Page 2, delete lines 6 to 12

Page 2, line 13, delete “2” and insert “3”

Page 2, line 14, delete “shall” and insert “may”

Page 2, line 15, after “and” insert “other”

Page 2, line 16, after “for” insert “up to 50 percent of”

Page 2, line 16, after the period, insert “If sufficient funds are not available, reimbursements shall be prorated.”

Page 2, line 18, delete “a school or” and insert “schools and”

Page 2, line 18, delete "organization" and insert "organizations"

Page 2, line 20, delete "3" and insert "4"

Page 2, line 20, delete "Money in the motorcycle safety" and insert "All funds in the motorcycle safety fund created by section 1 of this act are hereby annually appropriated to the commissioner of public safety to carry out the purposes of subdivisions 2 and 3. The commissioner of public safety may make grants from the fund to the commissioner of education at such times and in such amounts as he deems necessary to carry out the purposes of subdivisions 2 and 3. Not more than five percent of the funds so appropriated shall be expended to defray the administrative costs of carrying out the purposes of subdivisions 2 and 3, and not more than 50 percent of the money so appropriated shall be expended for the combined purpose of training and coordinating the activities of motorcycle safety instructors and making reimbursements to schools and other approved organizations."

Page 2, delete lines 21 to 26

Amend the title as follows:

Page 1, delete line 3

Page 1, line 4, delete "education" and insert "fee for two-wheeled vehicle endorsements for motorcycle safety"

Page 1, line 5, delete "tax" and insert "fee"

Page 1, line 5, after the semicolon, insert "exempting from the motor vehicle excise tax certain purchasers of motorized bicycles for resale; establishing an advisory committee on motorcycle safety;"

Page 1, line 6, delete "commissioner of" and insert "the commissioners of public safety and"

Page 1, line 6, delete "appropriating money" and insert "establishing a fund; making a standard appropriation"

Page 1, lines 7 and 8, delete "Section 168.013, Subdivisions 1b and 8" and insert "Sections 171.06, by adding a subdivision; 297B.035, by adding a subdivision"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

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

S.F. No. 1583: A bill for an act relating to public finance; repealing and suspending authority to incur state debt; repealing Laws 1980, Chapter 610; and Laws 1981, Chapter 275.

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

House Concurrent Resolution No. 6: A House concurrent resolution requesting that suitable space be provided for a permanent memorial for Martin Luther King.

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

S.F. No. 1957: A resolution memorializing the President and Congress of the United States in support of a mutual freeze with the Soviet Union on the testing, production, and deployment of nuclear weapons and delivery systems.

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

S.F. No. 1630: A bill for an act relating to the legislature; changing January payment date; amending Minnesota Statutes 1980, Section 3.099, Subdivision 1.

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

Page 1, line 10, delete the new language

Page 1, line 12, reinstate the stricken language and delete the new language

Page 1, line 12, after the reinstated "January" insert "*in the first month of each term*"

Page 1, lines 13 and 14, delete the new language

Page 2, line 14, reinstate the stricken language and delete the new language

Page 2, line 14, after the reinstated "January" insert "*in the first month of each term*"

Page 2, line 15, delete the new language

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

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

S.F. No. 1640: A bill for an act relating to Hennepin County; providing for the interest on and name of certain debt; regulating personnel provisions; clarifying self insurance authority; amending Laws 1965, Chapter 855, Section 4, Subdivision 1, as amended, and Section 7, Subdivisions 3, as amended, and 4, as amended; Laws 1979, Chapter 55, Section 1; and Laws 1979, Chapter 198, Article II, Section 7, Subdivisions 1 and 2.

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

Page 4, after line 25, insert:

"Sec. 7. [AUTOMOBILE ALLOWANCE; COUNTY BOARD.]

*The Hennepin County board of commissioners may by resolution provide that each county board member shall be paid as compensation or reimbursement for the use by that board member of his own automobile in the performance of his official duties a monthly or periodic allowance in lieu of mileage*

*in an amount to be determined by the board.*

Sec. 8. Minnesota Statutes 1981 Supplement, Section 375.055, Subdivision 1, is amended to read:

Subdivision 1. [FIXED BY COUNTY BOARD.] The county commissioners in all counties of the state, except ~~Hennepin and Ramsey counties~~ *County*, shall receive as compensation for services rendered by them for their respective counties, annual salaries and in addition may receive per diem payments and reimbursement for necessary expenses in performing the duties of the office as set by resolution of the county board, provided that the salary and schedule of per diem payments shall not become effective until January 1 of the next year. The resolution shall contain a statement of the new salary to be established set forth on an annual basis. The board may establish a schedule of per diem payments for service by individual county commissioners on any board, committee, or commission of county government including committees of the board; or for the performance of services by individual county commissioners when required by law. In addition to its publication in the official newspaper of the county as part of the proceedings of the meeting of the county board, the resolution setting the salary and schedule of per diem payments shall be published in one other newspaper of the county, if there be one located in a different municipality in the county than the official newspaper. The salary of a county commissioner or the schedule of per diem payments shall not change except in accordance with the provisions of this subdivision."

Page 4, line 27, delete "This act is" and insert "Sections 1 to 7 are"

Page 4, line 29, after the period insert "Section 8 is effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "permitting the county board members to be paid an allowance in lieu of mileage; removing an exception to the general law;"

Page 1, line 5, after "amending" insert "Minnesota Statutes 1981 Supplement, Section 375.055, Subdivision 1;"

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

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

S.F. No. 1869: A bill for an act relating to Carver County; permitting the county to make electronic funds transfers.

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 471.38, Subdivision 3, is amended to read:

Subd. 3. [ELECTRONIC FUNDS TRANSFER.] Electronic funds transfer is the process of value exchange via mechanical means without the use of

checks, drafts or similar negotiable instruments. A school district *or county* may make an electronic funds transfer for a claim for a payment from an imprest payroll bank account or investment of excess money and for payment of bond principal, bond interest and a fiscal agent service charge from the debt redemption fund. This authorization extends only to a school district *or county* which has enacted all of the following policy controls:

(a) The ~~school board~~ *governing body* shall annually delegate the authority to make electronic funds transfers to a designated business administrator;

(b) The dispersing bank shall keep on file a certified copy of the delegation of authority;

(c) The initiator of the electronic transfer shall be identified;

(d) The initiator shall document the request and obtain an approval from the designated business administrator before initiating the transfer;

(e) A written confirmation of the transaction shall be made no later than one business day after the transaction and shall be used in lieu of a check, order check or warrant required to support the transaction;

(f) A list of all transactions made by electronic funds transfer shall be submitted to the ~~school board~~ *governing body* at its next regular meeting after the transaction."

Delete the title and insert:

"A bill for an act relating to local government; permitting counties to make electronic funds transfers; amending Minnesota Statutes 1980, Section 471.38, Subdivision 3."

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

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

S.F. No. 2141: A bill for an act relating to local government; allowing towns and cities to set license fees for cigarette sellers; amending Minnesota Statutes 1980, Section 461.12.

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

Page 1, line 14, delete "*The*"

Page 1, delete line 15

Page 1, line 16, delete everything before "*It*"

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

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

S.F. No. 1177: A bill for an act relating to crimes; establishing minimum terms of imprisonment for certain burglary offenses; prescribing penalties; amending Minnesota Statutes 1980, Section 609.58, by adding a subdivision.

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



follows:

Delete everything after the enacting clause and insert:

“Section 1. [609.5811] [DEFINITIONS; SCOPE.]

*Subdivision 1. [LAWFUL ENTRY.] Whoever enters a building while open to the general public does so with consent except when consent was previously expressly withdrawn.*

*Subd. 2. [DEFINITIONS.] For the purposes of sections 1 of this act to 609.59, the terms in this subdivision have the meanings given them and the principles set forth in this section apply.*

*“Building” means a dwelling or other structure suitable for or affording shelter for human beings or appurtenant to or connected with a structure so adapted, and includes portions of such structures separately occupied.*

*“Dwelling” means a structure used as a permanent or temporary residence by a person or persons, including any tent, watercraft, structure, or vehicle that is intended and used for overnight lodging.*

Sec. 2. [609.5812] [BURGLARY IN THE FIRST DEGREE.]

*Whoever, under any of the following circumstances, enters a building without the consent of the person in lawful possession, with intent to commit a crime in it, or remains in a building without the consent of the person in lawful possession, with intent to commit a crime in it, commits burglary in the first degree and may be sentenced to imprisonment for not more than 20 years or to payment of a fine of not more than \$20,000, or both:*

*(1) The building he enters is a dwelling which is occupied or believed to be occupied;*

*(2) The portion of the building he enters contains a banking business or other business of receiving securities or other valuable papers for deposit or safekeeping, the entry is with force or threat of force, and the intent is to steal or commit a felony therein;*

*(3) When entering or while in the building, he possesses a dangerous weapon or commits an assault upon a person present in the building entered; or*

*(4) When entering or while in the building, he possesses an explosive or tool to gain access to money or property.*

Sec. 3. [609.5813] [BURGLARY IN THE SECOND DEGREE.]

*Whoever, when burglary in the first degree is not committed, enters a dwelling without the consent of the person in lawful possession, with intent to commit a crime in it, or remains in a dwelling without the consent of the person in lawful possession, with intent to commit a crime in it, commits burglary in the second degree and may be sentenced to imprisonment for not more than 15 years or to payment of a fine of not more than \$15,000, or both.*

Sec. 4. [609.5814] [BURGLARY IN THE THIRD DEGREE.]

*Whoever, when burglary in the first or second degree is not committed, enters a building without the consent of the person in lawful possession, with intent to commit a felony or gross misdemeanor in it, or remains in a building*

*without the consent of the person in lawful possession, with intent to commit a felony or gross misdemeanor in it, commits burglary in the third degree and may be sentenced to imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both.*

Sec. 5. [609.5815] [BURGLARY IN THE FOURTH DEGREE.]

*Whoever, when burglary in the first, second, or third degree is not committed, enters a building without the consent of the person in lawful possession, with intent to commit a misdemeanor in it, or remains in a building without the consent of the person in lawful possession, with intent to commit a misdemeanor in it, commits burglary in the fourth degree and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both.*

Sec. 6. [609.5816] [SENTENCING.]

*Subdivision 1. [SEPARATE CRIMES.] A prosecution for or conviction of the crime of burglary is not a bar to conviction of any other crime committed on entering or while in the building.*

*Subd. 2. [CONSECUTIVE SENTENCES.] Notwithstanding the provisions of section 609.15, subdivision 1, sentences for violations of section 2 or section 3 and for any other crime committed on entering or while in the building entered shall be presumed to be consecutive to each other. The consecutive sentences shall not constitute a departure under the Minnesota sentencing guidelines.*

Sec. 7. [REPEALER.]

*Minnesota Statutes 1980, Section 609.58, is repealed."*

Amend the title as follows:

Page 1, line 2, delete "minimum" and insert "classifications for the crime of burglary; prescribing"

Page 1, line 4, delete "prescribing penalties; amending" and insert "proposing new law coded in Minnesota Statutes, Chapter 609; repealing"

Page 1, line 5, delete ", by adding a subdivision"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1839: A bill for an act relating to transportation; modifying the provisions for financial assistance for certain services under the metropolitan transit service demonstration program; amending Minnesota Statutes 1981 Supplement, Section 174.265, Subdivision 4.

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

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1980, Section 174.21, is amended to read:

174.21 [PUBLIC TRANSIT ASSISTANCE AND TRANSPORTATION MANAGEMENT; PURPOSE.]

It is the purpose of sections 174.21 to 174.27 to:

(a) to increase vehicle occupancy, to reduce the use of vehicles occupied by only one person and the congestion, pollution, energy consumption, highway damage, and other costs associated with such use;

(b) to assure that those citizens of this state who are unable by reason of age or incapacity to use regular means of private or public transportation shall have reasonable access to transportation service necessary to permit them to be active, productive, self-supporting and healthy citizens; and

(e) to increase the efficiency and productivity of and benefit from public investments in road space and transportation and transit facilities and systems in the state.

(a) provide access to transit for persons who have no alternative mode of transit available;

(b) increase the efficiency and productivity of public transit systems;

(c) alleviate problems of automobile congestion and energy consumption and promote desirable land use where such activities are cost effective;

(d) maintain a state commitment to public transportation; and

(e) meet the needs of individual transit systems to the extent they are consistent with the other objectives stated above.

Sec. 2. Minnesota Statutes 1980, Section 174.22, is amended by adding subdivisions to read:

Subd. 9. "Large urbanized area service" means the transportation service provided by the Duluth transit authority but does not include elderly and handicapped service, as defined in subdivision 13 of this section, provided by that transit authority.

Subd. 10. "Urbanized area service" means a transportation service operating in an urban area of more than 50,000 persons but does not include services operated by the metropolitan transit commission, as defined in section 174.22, subdivision 4, or elderly and handicapped service, as defined in subdivision 13 of this section.

Subd. 11. "Small urban area service" means a transportation service operating in an area with a population between 2,500 and 50,000.

Subd. 12. "Rural area service" means a transportation service primarily operated in an area having population centers of less than 2,500 persons.

Subd. 13. "Elderly and handicapped service" means transportation service provided on a regular basis in urbanized or large urbanized areas, except for metro mobility service established under section 174.31, and designed exclusively or primarily to serve individuals who are elderly or handicapped and unable to use regular means of public transportation.

Sec. 3. Minnesota Statutes 1980, Section 174.23, is amended by adding a subdivision to read:

Subd. 7. [RULEMAKING; TOTAL OPERATING COST.] The commissioner shall by rule define "total operating cost" as the term is used in carrying out the purposes of section 174.24. The commissioner shall consult

with eligible recipients to the maximum extent feasible in formulating these rules and develop necessary and reasonable changes in cost allowability provisions and financial examination procedures where possible. The rules are subject to the provisions in the administrative procedure act of sections 15.041 to 15.052.

Sec. 4. Minnesota Statutes 1980, Section 174.23, is amended by adding a subdivision to read:

*Subd. 8. [PROGRAM ADMINISTRATION.] The commissioner shall assign the administration of the programs set forth in sections 174.21 to 174.27 to a single division within the department of transportation.*

Sec. 5. Minnesota Statutes 1980, Section 174.24, Subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; PURPOSE.] A public transit ~~subsidy participation~~ program is established to ~~provide~~ carry out the objectives stated in section 174.21 by providing financial assistance from the state to eligible recipients. ~~The purpose of the public transit subsidy program shall be to supplement local effort in financing public transit systems in order to preserve and develop public transit and a balanced transportation system in the state.~~

Sec. 6. Minnesota Statutes 1980, Section 174.24, Subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY; APPLICATIONS.] Any legislatively established public transit commission or authority, any county or statutory or home rule charter city providing financial assistance to or operating public transit, any private operator of public transit, or any combination thereof is eligible to receive financial assistance through the public transit ~~subsidy participation~~ program.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 174.24, Subdivision 3, is amended to read:

Subd. 3. [FINANCIAL ASSISTANCE.] Payment of financial assistance shall be by contract between the commissioner and an eligible recipient. The commissioner shall determine the ~~operating deficit~~ total operating cost 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 total operating cost and correspondingly the amount of assistance which may be paid to the applicant or recipient. Where more than one county or municipality contributes assistance to the operation of a public transit system, the commissioner shall identify one as lead agency for the purpose of receiving moneys under this section. ~~The commissioner 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 stan-

dards for private operators of regular route transit systems in the transit taxing district, as defined in section 473.446, subdivision 2. *The rules are subject to the provisions in the administrative procedure act of sections 15.041 to 15.052. Payments to those private operators shall be based on the uniform performance standards and operating deficit and shall not exceed 100 percent of the operating deficit as determined by the commissioner. Payments shall be based on approved estimates of expenditures during the contract period and shall be subject to audit and adjustment after any payment has been made.*

*Prior to distributing operating assistance to eligible recipients for any contract period, the commissioner shall place all recipients into one of the following classifications: large urbanized area service, urbanized area service, small urban area service, rural area service, and elderly and handicapped service. The commissioner shall distribute funds under this section so that the percentage of total operating cost paid by any recipient from local sources will not exceed the percentage for that recipient's classification. The percentages shall be: for large urbanized area service, 55 percent; for urbanized area service and small urban area service, 40 percent; for rural area service, 35 percent; and for elderly and handicapped service, 35 percent. The remainder of the total operating cost will be paid from state funds less any assistance received by the recipient from any federal source. For purposes of this subdivision "local sources" means all local sources of funds and includes all operating revenue, tax levies, and contributions from public funds, except that the commissioner may exclude from the total assistance contract revenues derived from operations the cost of which is excluded from the computation of total operating cost.*

*If a recipient informs the commissioner in writing after the establishment of these percentages but prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the commissioner may reduce the percentage to be paid from local sources by the recipient and increase the percentage to be paid from local sources for all other recipients in its classification so that the total state funds to be received by all the recipients in the classification will not be altered. If for any year the funds appropriated to the commissioner to carry out the purposes of this section are insufficient to allow the commissioner to pay the state share of total operating cost as provided in this paragraph, the commissioner shall reduce the state share in each classification to the extent necessary.*

Sec. 8. Minnesota Statutes 1980, Section 174.24, is amended by adding a subdivision to read:

*Subd. 5. [METHOD OF PAYMENT.] Payments under this section to recipients other than the metropolitan transit commission and private operators within the seven-county metropolitan area whose deficits are funded 100 percent by the state shall be made in the following manner:*

*50 percent of the total contract amount in the first month of operation;*

*40 percent of the total contract amount in the seventh month of operation;*

*9 percent of the total contract amount in the twelfth month of operation; and*

*1 percent of the total contract amount after the final audit.*

*The method of payment under this section to private operators within the*

*seven-county metropolitan area whose deficits are funded 100 percent by the state shall be determined by the commissioner."*

Page 2, line 6, delete "maximum"

Page 2, line 7, delete "allowed" and insert "standard as adopted"

Page 2, line 7, delete "on its routes"

Page 2, line 8, delete the new language and strike "the applicant"

Page 2, line 9, delete "application" and insert "in its current transportation development program"

Page 2, line 20, delete "maximum" and delete "allowed"

Page 2, delete line 21

Page 2, line 22, delete "application" and insert "standard as adopted by the commission in its current transportation development program"

Page 2, after line 34, insert:

"Sec. 10. [REPEALER.]

*Minnesota Statutes 1980, Sections 174.25; and 174.26 are repealed.*

Sec. 11. [EFFECTIVE DATE.]

*Sections 1, 3, 4, 8, 9, and 10 are effective the day following final enactment. Sections 2, 5, 6, and 7 are effective January 1, 1984."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "provisions"

Page 1, delete lines 3 and 4

Page 1, line 5, delete "program" and insert "purpose of certain programs relating to public transit assistance and transportation management; defining certain terms applicable to certain public transit assistance and transportation management programs; requiring the commissioner of transportation to define by rule total operating cost; providing for the administration of certain programs; providing for the distribution of assistance under the public transit participation program; changing eligibility requirements for replacement transit service"

Page 1, line 5, after "amending" insert "Minnesota Statutes 1980, Section 174.21; 174.22, by adding subdivisions; 174.23, by adding subdivisions; 174.24, Subdivisions 1, 2, and by adding a subdivision;"

Page 1, line 6, delete "Section" and insert "Sections 174.24, Subdivision 3; and"

Page 1, line 6, before the period insert "; repealing Minnesota Statutes 1980, Sections 174.25 and 174.26"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1609: A bill for an act relating to highway traffic regulations; regulating the height of vehicles; establishing a height limitation for certain buses; amending Minnesota Statutes 1980, Section 169.81, Subdivision 1.

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

Page 1, line 10, delete "clause" and insert "paragraph"

Page 1, line 11, before "no" insert a comma

Page 1, line 14, delete everything after the period

Page 1, delete lines 15 and 16 and insert "Any carrier operating a double-deck bus exceeding 13 feet six inches shall obtain from the commissioner, with respect to highways under the commissioner's jurisdiction, and from local authorities, with respect to highways under their jurisdiction, an annual permit to operate the bus upon any highway under the jurisdiction of the party granting the permit. Annual permits shall be issued in accordance with applicable provisions of section 169.86. The fee for an annual permit issued by the commissioner is as provided in section 169.86, subdivision 5.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 169.86, Subdivision 5, is amended to read:

Subd. 5. [FEES.] The commissioner, with respect to highways under his jurisdiction, may charge a fee for each permit issued. 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;

(8) double-deck buses."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing for an annual permit fee for certain over-height buses;"

Page 1, line 5, before the period, insert "; and Minnesota Statutes 1981 Supplement, Section 169.86, Subdivision 5"

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. 1031: A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; imposing taxes, fees, and penalties; appropriating money; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; 466.01, by adding a subdivision; and 466.04, Subdivision 1; Minnesota Statutes 1981 Supplement, Section 115A.06, Subdivision 13; proposing new law coded as Minnesota Statutes, Chapter 115B.

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

Page 1, line 19, delete "22" and insert "16"

Page 1, line 23, delete "22" and insert "16"

Page 2, line 27, delete "*substance*" and insert "*commercial chemical*"

Page 2, delete lines 29 to 33

Page 2, delete line 36

Page 3, delete lines 1 to 3

Reletter the clauses in sequence

Page 3, after line 5, insert:

"*"Hazardous substance" does not include natural gas, natural gas liquids, liquefied natural gas, synthetic gas usable for fuel, or mixtures of such synthetic gas and natural gas.*"

Page 3, line 7, after "(a)" insert "Any"

Page 3, line 8, delete "*those substances*" and insert "*any substance*"

Page 3, line 8, after "as" insert "a"

Page 3, line 9, delete "*wastes*" and insert "*waste*"

Page 4, line 1, before "The" insert "*Any release resulting from*"

Page 4, line 1, delete "*normal*" in both instances

Page 4, line 2, after "*agricultural*" insert "*or silvicultural*"

Page 4, line 3, before the period, insert "*or disposal by a farmer of emptied*



*pesticide containers or residues from a pesticide as defined in section 18A.21, subdivision 25, which was used by the farmer if the containers are triple rinsed and the residues are disposed of on the farm in a manner consistent with instructions on the pesticide label"*

Page 5, line 36, delete "9" and insert "10"

Page 7, after line 7, insert:

*"Subd. 3. [TRANSPORTATION OF HOUSEHOLD REFUSE.] A person who accepts only household refuse for transport to a treatment or disposal facility is not liable under subdivision 1 for the release or threatened release of any hazardous substance unless he knew or reasonably should have known that the hazardous substance was present in the refuse. For the purpose of this subdivision, household refuse means garbage, trash, or septic tank sanitary wastes generated by single or multiple residences, hotels, motels, restaurants and other similar facilities."*

Renumber the subdivisions in sequence

Page 16, after line 15, insert:

*"Pollutant or contaminant" does not include natural gas, natural gas liquids, liquefied natural gas, synthetic gas usable for fuel, or mixtures of such synthetic gas and natural gas."*

Page 18, line 19, after "PESTICIDES" insert "OR FERTILIZER OR SOIL OR PLANT AMENDMENTS"

Page 18, line 22, before the comma, insert "*or the release of fertilizers or soil or plant amendments*"

Page 19, line 19, delete "August 1, 1982" and insert "January 1, 1983"

Page 19, line 20, delete "adopt" and insert "establish"

Page 19, line 32, after the period, insert "*Before any list is established under this subdivision the agency shall publish the list in the state register and allow 30 days for comments on the list by the public.*"

Page 20, line 8, after "establishing" insert "and funding"

Page 20, line 9, delete everything after "fund"

Page 20, line 10, delete "19"

Page 20, line 24, delete "local units of government"

Page 21, line 28, delete "to local units of government"

Page 23, line 2, delete "19" and insert "22 to 41"

Page 23, line 27, delete everything after "section" and insert "*and section 2 apply to sections 17 to 21.*"

Page 23, delete lines 30 to 36

Page 24, delete lines 5 to 7

Renumber the subdivisions in sequence

Pages 24 and 25, delete section 18

Page 26, line 33, delete "19" and insert "sections 22 to 41"

Page 27, line 8, delete "or 19"

Page 27, line 12, delete "or 19"

Page 27, line 18, delete "or 19"

Page 29, line 5, delete "or 19"

Page 29, line 13, delete "or 19"

Page 29, line 33, delete "or 19"

Page 31, line 14, delete "19" and insert "18"

Page 31, line 24, delete "or 19"

Page 31, line 30, delete "or 19"

Page 31, line 34, delete "sections 18 and 19" and insert "section 18"

Page 32, lines 3 and 4, delete "sections 18 and 19" and insert "section 18"

Page 32, line 12, delete "administrative" and insert "permitting, monitoring, inspection and enforcement"

Page 32, line 13, delete "any portion of the"

Page 32, delete line 14

Page 32, line 15, delete "not be collected and"

Page 32, line 19, after the period, insert:

*"The legislature may appropriate additional amounts which need not be raised by fees or may provide that the fees shall cover a proportion of the appropriation for the division in order to assure adequate funding for the regulatory and enforcement functions of the division."*

Page 32, line 27, delete "quarterly" and insert "annually"

Page 33, line 3, after "agency" insert "outside of those counties"

Page 33, line 4, delete "and" and insert ". The agency shall not charge a fee in any metropolitan county which charges such a fee."

Page 33, line 7, after the period, insert "The surcharge imposed on the fees charged by the metropolitan counties shall be collected by the metropolitan counties in the manner in which the counties collect their generator fees."

Page 33, line 9, before the period, insert "by the last day of the month following the month in which they were collected"

Page 33, after line 16, insert:

"Sec. 22. [297C.01] [CITATION.]

*Sections 22 to 41 may be cited as the Hazardous Waste Wholesale Product Tax Act.*

Sec. 23. [297C.02] [DEFINITIONS.]

*Subdivision 1. [APPLICATION.] The definitions provided in this section and section 1 apply to sections 22 to 41.*

*Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner*

of revenue.

*Subd. 3. [FINISHED PRODUCT.] "Finished product" means any product which is intended to be or is sold to the ultimate consumer without further processing, other than processing after purchase by a retailer as defined in section 297A.01, subdivision 10.*

*Subd. 4. [GROSS RECEIPTS.] "Gross receipts" means the total amount received, in money or otherwise, for all taxable sales as measured by the sales price. A taxpayer may elect to report gross receipts on the cash basis as consideration is received for a sale or on the accrual basis as sales are made.*

*Subd. 5. [INTERMEDIATE PRODUCT.] "Intermediate product" means raw materials or any other product which becomes a part of or is used or consumed in any stage of the production of a finished product.*

*Subd. 6. [PERSON.] "Person" means any individual, firm, association, partnership, joint stock company, joint venture, corporation, trustee, agency, receiver or other entity doing business in this state.*

*Subd. 7. [PRODUCT.] "Product" means any item of tangible personal property which qualifies as goods under section 336.2-105(1).*

*Subd. 8. [PRODUCTION.] "Production" means manufacture, production, assembly, fabrication, distillation, reduction, separation, extraction, painting, printing, finishing or any other processing required to prepare a product for sale to another.*

*Subd. 9. [SALE; PURCHASE.] "Sale" or "purchase" includes but is not limited to the following transactions:*

*(a) Any transfer of title or possession, or both, whether absolutely or conditionally, or the leasing or granting of a license to use or consume, for a consideration in money or by exchange or barter; and*

*(b) Any production done for a consideration on behalf of any person who directly or indirectly furnishes the materials used in that production.*

*Subd. 10. [SALE AT WHOLESALE.] "Sale at wholesale" means a sale or purchase for the purpose of resale in the regular course of business. Property purchased for the purpose of leasing the property to another or holding the property for lease to another shall be considered property purchased for resale. No sale which qualifies as a sale at retail under section 297A.01, subdivision 4, shall be considered a sale at wholesale.*

*Subd. 11. [SALES PRICE.] "Sales price" means the total consideration, valued in money, for a sale, whether paid in money or otherwise, excluding any amount allowed as a credit for tangible personal property taken in trade for resale, without deducting the cost of the property sold, cost of materials used, labor or service costs, interest, discount allowed after the sale is consummated, the cost of transportation incurred prior to the time of sale, any amount for which credit is given to the purchaser by the seller, or any other expense, whatsoever. A deduction may be made for interest, financing, carrying charges and transportation occurring after the sale, if the charges are separately stated.*

*"Sales price" does not include cash discounts allowed and taken at the time of sale, amounts refunded either in cash or in credit for property returned by*

*purchasers or the amount of any tax (not including, however, any manufacturers' or importers' excise tax) imposed on the sale by the United States or the amount of any tax imposed by section 24 whether or not the tax is separately stated or charged to the buyer at the time of sale.*

*Subd. 12. [WHOLESALER.] 'Wholesaler' means any person who sells products at wholesale.*

**Sec. 24. [297C.03] [IMPOSITION OF TAX.]**

*Except as otherwise provided in sections 22 to 41, every person who sells in this state at wholesale any finished or intermediate product whose production by that person results in the generation in this state of a hazardous waste, shall pay a tax in an amount equal to one-half of one percent of the gross receipts from that sale. By December 15 of 1983 and subsequent years, the commissioner of revenue shall estimate the amount of revenue raised by the tax imposed pursuant to this section during the calendar year ending that month. If the estimated proceeds exceed \$8,000,000 the commissioner shall adjust the rate of the tax to be in effect for the subsequent calendar year so that it would, as nearly as practicable, provide revenues of \$8,000,000 for that subsequent year.*

*For the purposes of this section, a sale shall be deemed to occur in this state if the product is located in this state at the time of its identification to a contract of sale, regardless of the identity or physical location of the parties to the sale.*

**Sec. 25. [297C.04] [PRESUMPTION OF TAXABLE SALES; BURDEN OF PROOF.]**

*Subdivision 1. [PRESUMPTIONS.] For the purpose of properly administering the tax imposed by section 24 and to prevent evasion of the tax, the following presumptions shall apply:*

*(a) It shall be presumed that the tax imposed by section 24 applies to the sale at wholesale of all intermediate and finished products sold by any person who is required to disclose the generation of hazardous waste under the hazardous waste rules of the agency adopted pursuant to section 116.07, unless the products or any portion of them are exempt from tax as provided in section 26; and*

*(b) It shall be presumed that the tax imposed by section 24 applies to all the gross receipts from taxable sales of a person who is required to pay the tax imposed by section 24 until the contrary is established.*

*Subd. 2. [BURDEN OF PROOF.] The burden of proving that a sale is not a sale at wholesale or that the person or product involved in the sale is exempt from the tax imposed by section 24 is on the person making the claim.*

**Sec. 26. [297C.05] [EXEMPTIONS FROM PRODUCT TAX.]**

*Subdivision 1. [EXEMPT PERSONS.] Notwithstanding any provision of sections 22 to 41 to the contrary, the following persons are exempt from payment of the tax imposed by section 24:*

*(a) Any person who by reason of any provision of the Federal Superfund Act is not required to contribute to the fund created by section 16, but only to the extent that imposition of the tax upon that person is finally determined by a court of competent jurisdiction to violate the provisions of the Federal Super-*

fund Act; and

(b) Any person who is taxed under the "in lieu" provisions of chapter 298, but only to the extent that payment of the tax imposed by section 24 would violate the "in lieu" provisions of chapter 298.

Subd. 2. [EXEMPT PRODUCTS.] Notwithstanding any provision of sections 22 to 41 to the contrary, the gross receipts from the sale at wholesale of the following products shall not be included in the calculation of the tax imposed by section 24:

(a) Any product whose production does not result in the generation of hazardous waste;

(b) Any product derived from the treatment of hazardous waste.

Sec. 27. [297C.06] [SALES PERMITS.]

Subdivision 1. [PERMIT REQUIREMENT.] Every person who is required to pay the tax imposed by section 24 shall obtain a permit from the commissioner as provided in this section. A separate permit is required for each place of business at which a taxable sale is made.

Subd. 2. [APPLICATION FOR PERMIT.] The person who is required to pay the tax shall file an application for a permit with the commissioner. The application shall be made upon a form prescribed by the commissioner and shall set forth the name under which the applicant intends to transact business, the location of his place or places of business, and any other information that the commissioner may require. The application shall be signed by the applicant if the applicant is a natural person; by a member or partner, if the applicant is an association or partnership; or by a person authorized to sign the application, if the applicant is a corporation or other entity.

Subd. 3. [APPLICATION FEES.] Each application for a permit shall be accompanied by a fee of \$5 for each permit requested in the application.

Subd. 4. [ISSUANCE OF PERMITS.] Upon the applicant's compliance with the provisions of sections 22 to 41, the commissioner shall issue to the applicant a separate permit for each place of business designated in the application. A permit shall be valid until revoked but shall not be assignable and shall be valid only for the person in whose name it is issued and for the transaction of business at the place designated in the permit. The permit shall be conspicuously displayed at the applicant's place of business.

Subd. 5. [REVOCAION OF PERMITS.] Whenever any person fails to comply with any provision of sections 22 to 41 or any rule promulgated thereunder, the commissioner, upon hearing, after giving the person 30 days' notice in writing specifying the time and place of hearing and the reason for the proposed revocation and requiring him to show cause why his permit or permits should not be revoked, may for reasonable cause revoke or suspend any one or more of the permits held by that person. The notice may be served personally or by mail in the manner prescribed for service of notice of a tax deficiency. The commissioner shall not issue a new permit after revocation except upon application accompanied by reasonable evidence of the intention of the applicant to comply with the requirements of sections 22 to 41 and the rules promulgated thereunder. The commissioner may condition the issuance of a new permit on the supplying of reasonable security to assure compliance

with sections 22 to 41 and the rules promulgated thereunder.

**Subd. 6. [SALES WITHOUT PERMITS; PROHIBITIONS; PENALTIES.]** A person who is required to pay the tax imposed by section 24 and who knowingly engages in the business of making taxable sales without first obtaining the permit required by this section, and each officer of any corporation which engages in business in violation of this subdivision, is guilty of a misdemeanor.

**Sec. 28. [297C.07] [COLLECTION OF TAX.]**

**Subdivision 1. [MONTHLY COLLECTION.]** The tax imposed by section 24 is due and payable to the commissioner monthly on or before the 25th day of the month next succeeding the month in which the taxable event occurred or succeeding any other reporting period that the commissioner may prescribe.

**Subd. 2. [FILING OF RETURNS.]** On or before the 25th day of each month in which taxes imposed by section 24 are payable, a return for the preceding reporting period shall be filed with the commissioner in the form prescribed by the commissioner, verified by a written declaration, signed by the person filing the return or his duly authorized agent, stating that it is made under the criminal penalties for wilfully making a false return, and in addition shall contain a confession of judgment for the amount of the tax shown due to the extent not timely paid. Any person making sales at two or more places of business may file a consolidated return subject to the rules prescribed by the commissioner.

**Subd. 3. [RECORD KEEPING REQUIREMENTS.]** Every person liable for any tax imposed by section 24 shall keep records, render statements and make returns, as required by the rules of the commissioner. Any return or statement shall include the information required by the rules and the forms prescribed by the commissioner. For the purpose of determining compliance with the provisions of this subdivision, the commissioner shall have power to examine, or cause to be examined, any books, papers, records, or memoranda relevant to making a determination of compliance, whether the books, papers, records, or memoranda are the property of or in the possession of the person liable for the tax or any other person or corporation. The commissioner shall have power to require the attendance of any person having knowledge or information relevant to the inquiry, to compel the production of books, papers, records, or memoranda by persons required to attend, to take testimony on matters relevant to the issues being decided, and to administer oaths or affirmations.

**Sec. 29. [297C.08] [RULES.]**

The commissioner shall promulgate temporary and permanent rules as necessary or useful for the proper implementation, administration, collection and enforcement of the tax imposed by section 24.

**Sec. 30. [297C.09] [EXTENSIONS.]**

The commissioner may extend the time for filing returns and paying the tax imposed by section 24, and for paying deficiencies and penalties, for not more than 60 days. He may require a tentative return at the time fixed for filing the regularly required return and payment of a tax at that time on the basis of the tentative return.

Where an extension of time for payment has been granted under this section,

interest shall be payable at the rate provided in section 33 from the date when the payment should have been made, if no extension had been granted, until the time when the tax is paid.

**Sec. 31. [297C.10] [EXAMINATION OF RETURN; ADJUSTMENTS; NOTICES AND DEMANDS.]**

*Subdivision 1. The commissioner shall, as soon as practicable after a return is filed, examine the return and make any investigation or examination of the records and accounts of the person making the return that he deems necessary for determining its correctness. The tax computed on the basis of the examination shall be the tax to be paid. If the tax found to be due exceeds the amount of the tax reported as due on the taxpayers return, the excess shall be paid to the commissioner within 60 days after notice of the amount and demand for its payment is mailed to the person making the return. If the amount of the tax found due by the commissioner is less than that reported as due on the return, the excess shall be refunded to the person making the return in the manner provided by section 35 (except that no demand shall be necessary), if he has already paid the whole of the tax, or credited against any unpaid tax. No refundment shall be made except as provided in section 35 after the expiration of three years after the filing of the return.*

*Subd. 2. The notices and demands provided for by this section and section 33 shall contain a brief statement of the computation of the tax and shall be sent by mail to the person making the return at the address given in his return, if any, or to his last known address, or a brief written statement of the computation of the tax may be personally served upon the taxpayer. Demand for immediate payment of the taxes contained in the written statement shall be made by the person making personal service.*

**Sec. 32. [297C.11] [FAILURE TO FILE RETURN.]**

*If any person required by section 28 to file any return fails to do so within the time prescribed, or makes, wilfully or otherwise, an incorrect, false, or fraudulent return, he shall, upon written notice and demand, immediately file the return, or corrected return, and at the same time pay any tax due on the basis of the return. If the person fails to file any return or corrected return, the commissioner shall make a return, or corrected return, for him from the commissioner's own knowledge and from any information that he can obtain through testimony, or otherwise, and assess a tax on the basis thereof, which tax (less any payments theretofore made on account of the tax for the taxable period covered by the return) shall be immediately paid upon written notice and demand. Any return or assessment made by the commissioner shall be prima facie correct and valid, and the taxpayer shall have the burden of establishing its incorrectness or invalidity in any action or proceeding in respect thereto.*

**Sec. 33. [297C.12] [FAILURE TO PAY TAX; ACTIONS; PROTECTION AGAINST EVASION.]**

*Subdivision 1. If any portion of a tax imposed by section 24, including penalties, is not paid within 60 days after it is required to be paid, the commissioner shall bring against the person liable for payment of the tax an action at law, in the name of the state, for the recovery of the tax and interest and penalties due in respect thereof. The action shall be brought in the district court in the county where the residence or principal place of business within*

*this state of the person required to file the return, or, in the case of an estate or trust, of the place of its principal administration, is located and for this purpose the place named in the return, if any, shall be conclusively presumed to be the proper location. If no place is named in the return, the action may be commenced in Ramsey County.*

*Subd. 2. If the commissioner has reason to believe that the person required to file the return is about to remove himself or his property from this state with the purpose of evading the tax imposed by section 24, or that the collection of the tax will be jeopardized by delays incident to other methods of collection, he may immediately declare the person's reporting period at an end and assess a tax on the basis of his own knowledge or information available to him, demand its immediate payment; and, if payment is not immediately made, collect the tax by any method authorized by law. It shall not be a defense to any assessment made under this section that the tax period has not terminated, or that the time otherwise allowed by law for filing a return has not expired, or that the notices otherwise required by law for making an assessment have not been given, or that the time otherwise allowed by law for taking or prosecuting an appeal or for paying the tax has not expired.*

*Subd. 3. In addition to all other methods authorized for the collection of the tax, it may be collected in an ordinary action at law or in equity by the state against the person required to file a return.*

*Subd. 4. No suit shall lie to enjoin the assessment or collection of any taxes imposed by section 24, or the interest and penalties imposed thereby.*

*Subd. 5. The tax, as assessed by the commissioner, together with any penalties, shall be presumed to be valid and correctly determined and assessed, and the burden shall be upon the person required to file the return to establish the incorrectness or invalidity of the assessment.*

*Subd. 6. When any tax is due and payable as provided in section 24, the commissioner may issue his warrant to the sheriff of any county of the state commanding him to levy upon and sell the real and personal property of the person liable for the tax and to levy upon the rights to property of the person within the county and to return the warrant to the commissioner and pay to him the money collected by virtue of the levy by the time specified in the warrant, and within 60 days from the date of the warrant. The sheriff shall proceed under the warrant to levy upon and seize any property of the person and to levy upon the rights to property of the person within his county, except the homestead and household goods of the person and property of the person not liable to attachment, garnishment, or sale on any final process issued from any court under the provisions of section 550.37, and shall sell so much of the property as is required to satisfy the taxes, interest, and penalties, together with his costs; but any sale shall be governed by the laws applicable to sales of like property on execution issued against property upon a judgment of a court of record. The proceeds of any sale, less the sheriff's costs, shall be turned over to the commissioner, who shall retain enough to satisfy the tax, interest, penalties and costs, and pay over any balance to the taxpayer. Any action taken by the commissioner pursuant to this subdivision shall not constitute an election by the state to pursue a remedy to the exclusion of any other remedy providing for the collection of taxes imposed by section 24.*



*Subdivision 1. Except as otherwise provided in sections 22 to 41, the amount of taxes assessable with respect to any taxable period shall be assessed within three years after the return for that period is filed. Taxes shall be deemed to have been assessed within the meaning of this section whenever the commissioner prepares a notice of tax assessment and mails the notice to the person required to file the return at the post office address given in the return. The commissioner's record of mailing shall be presumptive evidence of the giving of notice.*

*Subd. 2. If the person required to file the return omits from the return a properly includible dollar amount which is in excess of 25 percent of the dollar amount reported in the return, the tax may be assessed, or a proceeding in court for the collection of the tax may be begun at any time within five years after the return is filed.*

*Subd. 3. For the purposes of this section and of section 35, a return filed before the last day prescribed by law for filing shall be considered as filed on the last day.*

*Subd. 4. In the case of a false or fraudulent return with intent to evade tax or of failure with the same intent to file a return, the tax may be assessed, or a proceeding in court for the collection of the tax may be begun at any time.*

*Subd. 5. Where the assessment of any tax is made within the period prescribed by this section, the tax may be collected by a proceeding in court, but only if begun:*

*(a) Not later than nine months after the expiration of the period for the assessment of the tax; or*

*(b) Not later than nine months after final disposition of any appeal from the order of assessment.*

*Subd. 6. If before the expiration of the time prescribed in subdivision 1 for the assessment of the tax, the commissioner and the taxpayer consent in writing to an extension of time for the assessment of the tax, the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.*

### Sec. 35. [297C.14] [REFUNDS.]

*Subdivision 1. A person who has paid to the commissioner an amount of tax for any period in excess of the amount legally due for that period may file with the commissioner a claim for a refund of the excess. Except as provided in subdivision 3, no claim shall be entertained unless filed within two years after the tax is paid, or within three years from the filing of the return, whichever period is longer. The commissioner shall examine the claim and make and file written findings denying or allowing the claim in whole or in part and shall mail a notice of the finding to the person at the address stated in the claim. Any allowance shall include interest on the excess determined at a rate of 6 percent per annum from the date the excess is paid or collected until the date it is refunded or credited. If the claim is allowed in whole or in part, the commissioner shall credit the amount of the allowance against any taxes imposed under section 24 and due from the claimant and for the balance of the allow-*

ance, if any, the commissioner shall issue his certificate for the refundment of the excess paid, and the commissioner of finance shall cause the refund to be paid out of the proceeds of the tax imposed by section 24, as other state moneys are expended. So much of the proceeds of the tax imposed by section 24 as may be necessary are hereby appropriated for that purpose.

Subd. 2. If the claim is denied in whole or in part, the claimant may commence an action against the commissioner to recover the amount claimed. The action may be brought in the district court in the county of the claimant's residence or principal place of business or if an estate or trust, of the principal place of its administration, or in the district court for Ramsey County. The action may be commenced after the expiration of six months after the claim is filed if the commissioner has not yet taken final action on the claim, and shall be commenced within 18 months after mailing of the notice of the order denying the claim.

Subd. 3. If the commissioner and the person required to file the return have within the periods prescribed in subdivision 1 consented in writing to any extension of time for the assessment of the tax under the provisions of section 34, subdivision 6, the period within which a claim for refund may be filed, or a refund may be made or allowed, if no claim is filed, shall be the period within which the commissioner and the taxpayer have consented to an extension for the assessment of the tax; provided, however, that the period within which a claim for refund may be filed shall not expire prior to two years after the tax is paid.

#### Sec. 36. [297C.15] [LIABILITY AGREEMENTS.]

Subdivision 1. The commissioner may enter into a signed agreement in writing with any person relating to the liability of that person, or of the person or estate for whom he acts, for any tax due under sections 22 to 41 for any taxable period ending prior to the date of the agreement.

Subd. 2. If the agreement is approved by the commissioner within the time stated in the agreement, the agreement shall be final and conclusive; and, except upon a showing of fraud or malfeasance, or misrepresentation of a material fact, the matter agreed upon shall not be reopened nor the agreement modified, by any officer, employee, or agent of the state; and, in any suit, action, or proceeding, the agreement, or any determination, assessment, collection, payment, abatement, refund, or credit made in accordance with the agreement shall be conclusive and shall not be annulled, modified, set aside or disregarded.

#### Sec. 37. [297C.16] [ADMINISTRATION OF LAW.]

The commissioner shall administer and enforce the assessment and collection of the tax imposed by section 24. He shall cause to be prepared blank forms for the returns required by section 24, and shall distribute the forms throughout this state and furnish them on application, but failure to receive or secure them shall not relieve any person from any obligation required of him under sections 22 to 41.

#### Sec. 38. [297C.17] [REVOCATION OF CORPORATE LICENSES TO DO BUSINESS IN STATE.]

Whenever any person required to pay the tax imposed by section 24 fails to comply with any of the provisions of sections 22 to 41 or any rule of the

commissioner promulgated thereunder, the commissioner, if the person is a corporation authorized to do business in this state, may for reasonable cause certify to the secretary of state a copy of an order finding that the corporation has failed to comply with specified statutes or rules. The secretary of state shall, upon receipt of the certified copy, revoke the license authorizing the corporation to do business in this state, and shall issue a new license only when the corporation obtains from the commissioner an order finding that the corporation has complied with its obligations under sections 22 to 41. No order authorized in this section shall be made until the person is given an opportunity to be heard and to show cause why the order should not be made, and he shall be given 30 days' notice of the time and place of hearing and the reason for the proposed order.

Sec. 39. [297C.18] [PENALTIES.]

*Subdivision 1.* If any tax imposed by section 24, or any portion of the tax, is not paid within the time specified for the payment, or an extension of that time, or within 30 days after final determination of an appeal to the tax court, a specific penalty equal to 10 percent of the amount remaining unpaid shall be added to the tax due.

*Subd. 2.* In case of any failure to make and file a return within the time prescribed by section 28 or an extension of that time, unless it is shown that the failure is not due to wilful neglect, there shall be added to the tax, in lieu of the 10 percent specific penalty provided in subdivision 1, 10 percent if the failure is for not more than 30 days, and an additional 5 percent for each additional 30 days or fraction thereof during which the failure continues, not exceeding 25 percent in the aggregate. If the penalty as computed does not exceed \$10, a minimum penalty of \$10 shall be assessed. The amount added to the tax shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of the negligence, in which case the amount so added shall be collected in the same manner as the tax.

*Subd. 3.* If any person wilfully fails to file any return required by section 28 or make any payment required by section 24, or wilfully files a false or fraudulent return, or wilfully attempts in any manner to evade or defeat payment of the tax, a penalty shall also be imposed on him in an amount equal to 50 percent of any tax (less any amounts paid by him on the basis of the false or fraudulent return) due from him for the period covered by the return. The penalty imposed by this subdivision shall be collected as part of the tax, and shall be in addition to any other penalties, civil and criminal, provided by this section.

*Subd. 4.* In addition to the penalties prescribed by subdivisions 1 to 3, any person who wilfully fails to make a return or wilfully makes a false return or wilfully fails to pay taxes due to the state, with intent to evade any tax imposed by section 24, is guilty of a gross misdemeanor unless the amount of the tax involved exceeds \$100, in which event he is guilty of a felony. The term "person" as used in this subdivision includes any officer or employee of a corporation or a member or employee of a partnership who as an officer, member or employee is under a duty to perform the act in respect to which the violation occurs.

*Subd. 5.* All payments received shall be credited first to penalties, next to interest, and then to the tax due.

*Subd. 6. The commissioner shall have power to abate penalties when in his opinion their enforcement would be unjust and inequitable. The exercise of this power shall be subject to the approval of the attorney general if the abatement exceeds \$500.*

*Subd. 7. The amount of tax not timely paid, together with any penalty provided by this section, shall bear interest at the rate specified in section 270.75 from the time such tax should have been paid until paid. Any interest and penalty shall be added to the tax and be collected as a part thereof.*

**Sec. 40. [297C.19] [PERSONAL DEBT; LIEN.]**

*Subdivision 1. The tax imposed by section 24, and interest and penalties imposed with respect thereto, shall become a personal debt of the person required to file a return from the time the liability for payment arises, irrespective of when the time for payment of the liability occurs. The debt shall, in the case of the executor or administrator of the estate of a decedent and in the case of any fiduciary, be that of the person in his official or fiduciary capacity only unless he voluntarily distributes the assets held in that capacity without reserving sufficient assets to pay the tax, interest, and penalties, in which event he shall be personally liable for any deficiency.*

*Subd. 2. The tax imposed by section 24, and interest and penalties imposed with respect thereto, shall become a lien upon all of the real property of the person required to file a return within this state except his homestead, from and after the filing by the commissioner of a notice of tax lien in the office of the county recorder of the county in which the real property is situated.*

**Sec. 41. [297C.20] [DEPOSIT OF REVENUES.]**

*After subtracting the commissioner's costs of administration, all revenues, including interest and penalties, derived from the tax imposed by section 24 shall be deposited by the commissioner in the state treasury and credited to the environmental response, compensation and compliance fund established by section 16."*

Page 35, line 18, delete "APPROPRIATION" and insert "APPROPRIATIONS; APPROVED COMPLEMENT"

Page 35, line 19, before "FUND" insert "DEDICATED"

Page 35, line 19, delete "this section" and insert " subdivisions 2 and 3"

Page 35, line 24, delete "19" and insert "18"

Page 35, line 29, delete "19" and insert "18"

Page 35, after line 30, insert:

*"Subd. 4. [GENERAL FUND.] The appropriations in subdivisions 5 and 6 are from the general fund. The commissioner of finance shall reimburse the general fund for these appropriations by transferring these amounts from the environmental response, compensation and compliance fund not later than June 30, 1983.*

*Subd. 5. [REVENUE DEPARTMENT.] The sum of \$..... is appropriated from the general fund to the department of revenue for development costs and other expenses to enforce the provisions of sections 18 to 21. The approved complement of the department is increased by .... positions.*

*Subd. 6. [POLLUTION CONTROL AGENCY.] The sum of \$..... is appropriated from the general fund to the pollution control agency to adopt rules and take other actions necessary to prepare the agency to implement its authority under sections 14, and 18 to 21. The approved complement of the agency is increased by .... positions."*

Page 35, line 32, delete "21" and insert "20 and sections 22 to 41"

Page 35, line 33, delete "sections 18 and 19" and insert "section 18 and sections 22 to 41"

Page 35, line 34, delete "22" and insert "21"

Page 35, line 35, delete "23 and 24" and insert "42 and 43"

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 15, delete "Chapter" and insert "Chapters" and after "115B" insert "and 297C"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 1502: A bill for an act relating to education; providing for aids to education, aids to libraries; tax levies and distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education; requiring advisory committee for health and developmental screening programs; providing for a program to serve youth who leave school before graduation; appropriating money; amending Minnesota Statutes 1980, Sections 3.9279, Subdivisions 4, 6, 7, and by adding a subdivision; 120.73, Subdivision 1; 121.21, Subdivision 4a; 121.904, Subdivisions 2, 4, and 4a, as added; 123.32, Subdivision 1 and by adding a subdivision; 124.225, as amended; 124.32, Subdivisions 2, 7, and 10; 124.572, Subdivision 2; 124.574, Subdivision 3; 134.34, by adding a subdivision; 275.125, Subdivision 5, as amended, and by adding subdivisions; 275.48; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivision 6; 121.912, Subdivision 1; 123.702, Subdivision 1; 123.705; 123.937; 124.2122, Subdivisions 1, as amended, and 2, as amended; 124.2124, by adding a subdivision; 124.2125, Subdivision 2; 124.2126, Subdivision 3; 124.2129, by adding a subdivision; 124.223; 124.245, Subdivisions 1 and 1a; 124.246, Subdivision 2; 124.247, Subdivision 3; 124.26, Subdivision 1; 124.271, Subdivision 2; 124.273, Subdivisions 1 and 2; 124.32, Subdivisions 1, 1b, and 5; 124.38, Subdivision 7; 124.5621, Subdivision 12; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 124.573, Subdivisions 2 and 3a; 124.574, Subdivision 2; 125.611, Subdivision 5; 275.125, Subdivisions 1, 2d, 7a, and 11b; 354.66, Subdivision 6; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Third Special Session Chapter 2, Article II, Sections 1, 2, and 20; and Article IV, Section 3, Subdivisions 2, 3, 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 121; repealing Minnesota Statutes 1980, Sections 121.96; 128.05; Laws 1967, Chapters 251 and 253; Laws 1976, Chapter 20, Section 8; Laws 1981, Third Special Session Chapter 2, Article IV, Sections 2 and 7.

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

follows:

Pages 9 and 10, delete section 9

Page 10, line 20, delete "*Sections 3 and 9*" and insert "*Section 3*"

Renumber the sections of article I in sequence

Page 38, delete section 1

Page 42, line 25, delete "*1, 3, 4, 5, 6, and 7*" and insert "*2, 3, 4, 5 and 6*"

Renumber the sections of article V in sequence

Pages 43 and 44, delete sections 1 to 4

Page 46, delete section 7

Page 61, line 27, delete "*6*" and insert "*2*"

Pages 67 to 69, delete sections 36 and 37

Page 69, line 22, delete "*5, 6, 29, 33, 34 and 35*" and insert "*1, 2, 24, 28, 29 and 30*"

Renumber the sections of article VI in sequence

Amend the title as follows:

Page 1, line 6, delete "requiring advisory committee"

Page 1, delete lines 7 and 8

Page 1, line 9, delete "school before graduation;"

Page 1, line 10, delete "3.9279,"

Page 1, delete line 11

Page 1, line 12, delete "121.21, Subdivision 4a;"

Page 1, line 20, delete "123.702,"

Page 1, line 21, delete "Subdivision 1;"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

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

S.F. No. 1859: A bill for an act relating to forestry; establishing a forest research management policy and plan; realignment of forestry boundaries; establishing a forest management fund and accounting system; changing certain procedures for timber sales from state and tax-forfeited lands; extending certain timber permits; making various changes in forestry laws; amending Minnesota Statutes 1980, Sections 16A.125, Subdivision 5; 89.001, and by adding subdivisions; 89.01, Subdivision 6; 89.021, Subdivision 1; 89.036; 89.37, Subdivisions 2, 3, 3a, and 4; 90.201; 90.251, Subdivisions 1 and 4; 197.447; 282.01, Subdivisions 1 and 3; 282.02; and 282.132; Minnesota Statutes 1981 Supplement, Section 282.04, Subdivision 1; Laws 1981, Chapter 305, Section 11; proposing new law coded in Minnesota Statutes, Chapters 88, 89, 90, and 282; repealing Minnesota Statutes 1980, Sections 282.031; 282.032; 282.033; 282.034; 282.035; 282.036; and 282.037.

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

follows:

Page 8, line 9, delete "10" and insert "11"

Page 14, line 20, delete everything after the period

Page 14, delete lines 21 and 22 and insert "The commissioner may credit a refund to any other permit held by the same permit holder if the permit is delinquent as provided in section 90.181, subdivision 2, and may credit a refund to any other permit to which the permit holder requests that it be credited."

Page 14, line 28, delete "held by that permit holder" and insert "as provided in this subdivision"

Page 14, line 34, delete "make a correction in the permit" and insert "adjust the volume and value of timber under the permit accordingly"

Page 15, line 1, after "may" insert "cancel the permit and"

Page 29, line 19, delete "10" and insert "11"

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. 2174: A bill for an act relating to appropriations; appropriating money to the housing development fund for certain purposes.

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

Delete everything after the enacting clause and insert:

"Section 1. [HOUSING CONSTRUCTION REAPPROPRIATION.]

*The appropriation of \$200,000 from the general fund by Laws 1981, Chapter 306, Section 21, clause (c), is cancelled and reappropriated to the housing development fund created in Minnesota Statutes, Section 462A.20, to be used in connection with the financing of developments, all or a portion of the units of which are eligible for subsidy pursuant to Section 8 of the United States Housing Act of 1937, as amended to March 1, 1982. The appropriation may be used either (a) to make loans, with or without interest, pursuant to Minnesota Statutes, Section 462A.05, Subdivisions 1 and 3; or (b) to be paid into accounts of the agency for the purpose of making payments required by a resolution for the issuance of its notes or bonds, as permitted by Minnesota Statutes, Section 462A.10, Subdivision 4. The agency shall establish an account in the fund to record the receipt and disbursement of the amounts appropriated and any other amounts transferred to this account pursuant to Minnesota Statutes, Section 462A.20, Subdivision 3.*

Sec. 2. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

Amend the title as follows:

Page 1, line 2, delete "appropriating" and insert "canceling and reappropriating"

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. 492 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.
492	480				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 492 be amended as follows:

Page 1, line 9, delete "[299C.066]" and insert "[375.168]"

Amend the title as follows:

Page 1, line 6, before the period, delete "Chapter 299C" and insert "Chapter 375"

And when so amended H.F. No. 492 will be identical to S.F. No. 480, and further recommends that H.F. No. 492 be given its second reading and substituted for S.F. No. 480, 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. 1726 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.
1726	1741				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1726 be amended as follows:

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, delete line 5

Page 1, line 6, delete everything before the semicolon and insert "allowing teachers at a community college or state university to accrue seniority during a leave of absence"

And when so amended H.F. No. 1726 will be identical to S.F. No. 1741, and further recommends that H.F. No. 1726 be given its second reading and substituted for S.F. No. 1741, 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. 2123, 1541, 1818, 518, 1684, 1865, 1761, 1957, 1630, 1640, 1869, 2141, 1177, 1609, 1859 and 2174 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 492 and 1726 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Moe, D.M. moved that the name of Mr. Sikorski be added as a co-author to S.F. No. 1689. The motion prevailed.

Mr. Stern moved that the name of Mr. Sikorski be added as a co-author to S.F. No. 1694. The motion prevailed.

Mr. Pillsbury moved that the name of Mr. Petty be added as a co-author to S.F. No. 2049. The motion prevailed.

Mr. Knoll moved that the name of Mr. Sikorski be added as a co-author to S.F. No. 2095. The motion prevailed.

Messrs. Moe, R.D. and Bertram introduced—

Senate Resolution No. 76: A Senate resolution proclaiming the week of March 14 to 20, 1982, to be Older Workers Week.

Referred to the Committee on Rules and Administration.

Messrs. Humphrey, Willet, Frank, Luther and Merriam introduced—

Senate Concurrent Resolution No. 12: A Senate concurrent resolution expressing the importance of clean air and urging the Minnesota Pollution Control Agency to maintain strong air quality standards that will fully provide the necessary protection for the State of Minnesota.

Referred to the Committee on Rules and Administration.

Mr. Langseth moved that S.F. No. 2177 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Johnson moved that S.F. No. 2123 be stricken from General Orders and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

### SUSPENSION OF RULES

Mr. Knoll moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S. F. No. 2174 and that the rules of the Senate be so far suspended as to give S. F. No. 2174, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

S.F. No. 2174: A bill for an act relating to appropriations; canceling and

reappropriating money to the housing development fund for certain 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

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.

## MOTIONS AND RESOLUTIONS - CONTINUED

### SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S.F. No. 1964, No. 111 on the General Orders Calendar, a Special Order to be heard immediately.

S.F. No. 1964: A bill for an act relating to state government; ratifying state employee and University of Minnesota labor agreements and compensation plans; amending Minnesota Statutes 1980, Section 299D.03, Subdivision 2; repealing Minnesota Statutes 1980, Sections 299C.041; and 299D.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 63 and nays 0, as follows:

Those who voted in the affirmative were:

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	Purfeerst	Tennessee
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Merriam	Renneke	Vega
Chmielewski	Johnson	Moe, D. M.	Rued	Waldorf
Dahl	Kamrath	Moe, R. D.	Schmitz	Wegener
Davies	Knoll	Nelson	Setzepfandt	Willet
Davis	Knutson	Olhoft	Sieloff	
Dicklich	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Berglin moved that House Concurrent Resolution No. 6 be now adopted, pursuant to the report from the Committee on Rules and Administration, adopted March 1, 1982.

House Concurrent Resolution No. 6: A House concurrent resolution requesting that suitable space be provided for a permanent memorial for Martin Luther King.

WHEREAS, January 15 marks the birth of Martin Luther King; and;

WHEREAS, his life was devoted to the elimination of segregation and prejudice against his people; and,

WHEREAS, he sought to fulfill his goals exclusively by nonviolent means; and,

WHEREAS, his life and career were ended by assassination; and,

WHEREAS, his life and work were typified by great personal sacrifice and devotion to the welfare of his fellowman; and,

WHEREAS, the actions and efforts of Martin Luther King have served as an inspiration to the citizens of the State of Minnesota; and,

WHEREAS, many citizens and community groups of the State of Minnesota wish to recognize the great achievements in human and civil rights that were accomplished, in great part, through the efforts of Martin Luther King; NOW, THEREFORE,

BE IT RESOLVED by the Minnesota House of Representatives, the Senate concurring, that the State of Minnesota recognizes the immense contributions of Martin Luther King in creating a high quality of life for all citizens of this country regardless of race, creed, or color.

BE IT FURTHER RESOLVED that it requests the Commissioner of Administration to accept gifts from the public for the purpose of creating a memorial to Martin Luther King. When sufficient funds are received, the Commissioner shall obtain the services of a sculptor to create a bust of Martin Luther King and shall obtain a suitable pedestal and marker for the bust. The Commissioner is requested to find appropriate space in the Capitol for the memorial and to maintain it perpetually. Upon the first public showing of the memorial, the Commissioner should invite interested Minnesotans and the

public. All expenses for the memorial must be paid from donations from the public.

BE IT FURTHER RESOLVED that the Chief Clerk of the House of Representatives is directed to enroll this resolution, to be authenticated by his signature and those of the Speaker, the President of the Senate, and the Secretary of the Senate, and that it be presented to the Commissioner of Administration and to Coretta Scott King.

The motion prevailed. So the resolution was adopted.

### CALENDAR

S.F. No. 1853: A bill for an act relating to agriculture; changing fee provisions relating to abstracts of mortgages and liens on grain crops; amending Minnesota Statutes 1980, Sections 386.42 and 386.43.

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 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1671: A bill for an act relating to environment; providing for the chairmanship, staff, and administration of the environmental quality board; amending Minnesota Statutes 1980, Section 116C.03, Subdivision 2a, and by adding subdivisions; Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Sections 116C.04, Subdivisions 8 and 9; 116C.05; 116C.07; and Minnesota Statutes 1981 Supplement, Section 116C.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 64 and nays 0, as follows:

Those who voted in the affirmative were:

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	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennessee
Brataas	Humphrey	Merriam	Renneke	Ulland
Chmielewski	Johnson	Moe, D. M.	Rued	Vega
Dahl	Kamrath	Moe, R. D.	Schmitz	Waldorf
Davies	Knoll	Nelson	Setzepfandt	Wegener
Davis	Knutson	Olhoft	Sieloff	Willet
Dicklich	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 69: A bill for an act relating to statutes; providing that selected statutes shall be subject to judicial modification as is common law; proposing new law coded in Minnesota Statutes 1980, 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 30, as follows:

Those who voted in the affirmative were:

Bang	Davies	Luther	Peterson, D. L.	Solon
Belanger	Dicklich	Merriam	Peterson, R. W.	Spear
Berg	Engler	Moe, D. M.	Petty	Stern
Berglin	Hanson	Moe, R. D.	Rued	Stumpf
Bertram	Johnson	Nelson	Schmitz	Tennessee
Chmielewski	Lessard	Olhoft	Setzepfandt	Ulland
Dahl	Lindgren	Peterson, C. C.	Sieloff	

Those who voted in the negative were:

Benson	Frederick	Knutson	Pehler	Stokowski
Bernhagen	Frederickson	Kroening	Penny	Taylor
Brataas	Hughes	Kronebusch	Purfeerst	Vega
Davis	Humphrey	Langseth	Ramstad	Waldorf
Dieterich	Kamrath	Lantry	Renneke	Wegener
Frank	Knoll	Menning	Sikorski	Willet

So the bill passed and its title was agreed to:

S.F. No. 412: A bill for an act relating to commerce; providing that married couples filing petitions in bankruptcy select either state or federal exemptions; proposing new law coded in Minnesota Statutes, Chapter 550.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1481: A bill for an act relating to state government; providing a one time early retirement insurance benefit option for certain state employees; amending Minnesota Statutes 1981 Supplement, Section 43A.24, Subdivision 2.

With the unanimous consent of the Senate, Mr. Peterson, C.C. moved to amend S.F. No. 1481 as follows:

Page 2, line 31, before "or" delete the comma and insert a semicolon

Page 2, line 31, after "employee" delete the comma and insert "who is between 60 and 65 years of age on July 1, 1982"

Page 2, line 34, delete everything after "1981" and insert "; or an employee who is between 55 and 65 years of age on July 1, 1982 and is covered by the Minnesota state retirement system correctional employee retirement plan or the highway patrol retirement fund"

Page 2, line 35, delete "chapter 352B"

Page 2, line 36, delete everything after "1981" and insert a period

Page 3, delete lines 1 and 2

Page 3, line 3, delete everything before "Eligibility"

The motion prevailed. So the amendment was adopted.

S.F. No. 1481 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:

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	Purfeerst	Taylor
Bernhagen	Hanson	Luther	Ramstad	Tennessee
Bertram	Hughes	Menning	Renneke	Ulland
Brataas	Humphrey	Merriam	Rued	Vega
Chmielewski	Johnson	Moe, R. D.	Schmitz	Waldorf
Dahl	Kamrath	Nelson	Setzepfandt	Wegener
Davies	Knoll	Olhoft	Sieloff	Willet
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	Solon	

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

S.F. No. 1687: A bill for an act relating to Ramsey county; providing for the organization, powers and duties of the Saint Paul-Ramsey Medical Center commission; permitting the issuance of revenue bonds; amending Laws 1974, Chapter 435, Section 3.14, as amended.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennesen
Brataas	Humphrey	Merriam	Renneke	Ulland
Chmielewski	Johnson	Moe, D. M.	Rued	Vega
Dahl	Kamrath	Moe, R. D.	Schmitz	Waldorf
Davies	Knoll	Nelson	Setzepfandt	Wegener
Davis	Knutson	Olhoft	Sieloff	Willet
Dicklich	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1547: A bill for an act relating to retirement; miscellaneous amendments to the public employees retirement law; amending Minnesota Statutes 1980, Sections 353.01, Subdivisions 12 and 16; 353.35; and 353.657, Subdivision 2a; Minnesota Statutes 1981 Supplement, Sections 353.01, Subdivisions 2a and 2b; 353.27, Subdivision 4; 353.36, Subdivision 2; and 353.64, Subdivision 1; repealing Minnesota Statutes 1980, Sections 353.01, Subdivision 34; and 353.017, Subdivision 4; Minnesota Statutes 1981 Supplement, Section 353.023.

Was read the third time 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:

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	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Merriam	Renneke	Vega
Chmielewski	Johnson	Moe, D. M.	Rued	Waldorf
Dahl	Kamrath	Moe, R. D.	Schmitz	Wegener
Davies	Knoll	Nelson	Setzepfandt	Willet
Davis	Knutson	Olhoft	Sieloff	
Dicklich	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1591: A bill for an act relating to retirement; volunteer firefighters

relief associations; fire and police state aid programs; combining various reports for purposes of qualifying for fire state aid; modifying the presumptions used in determining qualification for fire or police state aid; clarifying the duration of disqualification from receipt of fire or police state aid in the event of noncompliance with financing guidelines; clarifying the procedure for crediting service by certain probationary volunteer firefighters; clarifying a limitation on the payment of service pensions to active volunteer firefighters; amending Minnesota Statutes 1980, Sections 69.021, Subdivision 4; 69.051, Subdivision 3; 69.771, Subdivision 3; and 424A.01, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 69.011, Subdivision 2; 69.051, Subdivision 1; 69.77, Subdivision 1; and 424A.02, 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:

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	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennessee
Brataas	Humphrey	Merriam	Renneke	Ulland
Chmielewski	Johnson	Moe, D. M.	Rued	Vega
Dahl	Kamrath	Moe, R. D.	Schmitz	Waldorf
Davies	Knoll	Nelson	Setzpfandt	Wegener
Davis	Knutson	Olhoff	Sieloff	Willet
Dicklich	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

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 1981 Supplement, Section 352D.02, 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 48 and nays 14, as follows:

Those who voted in the affirmative were:

Bang	Dieterich	Kronebusch	Olhoff	Setzpfandt
Belanger	Engler	Langseth	Peterson, C. C.	Sieloff
Benson	Frederick	Lantry	Peterson, D. L.	Spear
Berg	Frederickson	Lessard	Peterson, R. W.	Stokowski
Berglin	Hanson	Lindgren	Petty	Taylor
Bernhagen	Hughes	Menning	Purfeerst	Tennessee
Bertram	Humphrey	Merriam	Ramstad	Ulland
Brataas	Kamrath	Moe, D. M.	Renneke	Wegener
Chmielewski	Knoll	Moe, R. D.	Rued	
Davies	Knutson	Nelson	Schmitz	

Those who voted in the negative were:

Dahl	Frank	Luther	Sikorski	Waldorf
Davis	Johnson	Pehler	Stumpf	Willet
Dicklich	Kroening	Penny	Vega	

So the bill passed and its title was agreed to.



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 members of certain fire departments; amending Minnesota Statutes 1980, Section 168.12, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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	Purfeerst	Tennessee
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Merriam	Renneke	Vega
Chmielewski	Johnson	Moe, D. M.	Rued	Waldorf
Dahl	Kamrath	Moe, R. D.	Schmitz	Wegener
Davies	Knoll	Nelson	Setzepfandt	Willet
Davis	Knutson	Olhoft	Sieloff	
Dicklich	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1856: A bill for an act relating to state government; improving the state's personnel management functions; amending Minnesota Statutes 1980, Sections 6.582; 11A.07, Subdivision 4; 12.04, Subdivision 1; 15.0575, Subdivision 3; 15.059, Subdivision 3; 15.43, Subdivision 1; 60B.09, Subdivision 2; 84.028, Subdivision 3; 84.081, Subdivision 1; 85A.03, Subdivision 2; 86.51; 124.645, Subdivision 3; 128A.02, Subdivision 3; 136A.55, Subdivision 4; 144A.52, Subdivision 2; 168.325, Subdivision 1; 171.015, Subdivision 1; 216A.04, Subdivision 3; 241.64, Subdivision 3; 241.65; 246.017, Subdivision 2; 299E.01, Subdivision 1; 299F.01, Subdivision 2; and 352D.02, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 3.855, Subdivision 3; 43A.02, Subdivision 28; 43A.04, Subdivisions 3, 4, and by adding a subdivision; 43A.05, Subdivision 4; 43A.08, Subdivisions 1, 3, and by adding subdivisions; 43A.11, Subdivisions 3, 4, 7 and 8; 43A.13, Subdivisions 1, 4 and 5; 43A.15, Subdivisions 6 and 10; 43A.17, Subdivision 4; 43A.18, Subdivisions 3 and 4; 43A.19, Subdivision 1; 43A.27, Subdivision 3; 43A.33, Subdivisions 1, 3 and 4; 43A.37, Subdivision 1; 43A.38; 43A.39; 43A.41, Subdivision 4; 43A.42; 43A.44, Subdivision 2; 124.41, Subdivision 3; 254A.03, Subdivision 1; 352D.02, Subdivision 1; and 462A.04, Subdivision 8; Laws 1971, Extra Session, Chapter 3, Section 19, Subdivision 5; Laws 1980, Chapter 564, Article XII, Section 1, Subdivision 6; Laws 1981, Chapter 210, Section 55; repealing Minnesota Statutes 1980, Sections 12.05; 124.615, Subdivision 3; 190.081; and 190.095; and Minnesota Statutes 1981 Supplement, Section 43A.08, Subdivision 2.

With the unanimous consent of the Senate, Mr. Spear moved to amend S.F. No. 1856 as follows:

Page 29, line 11, strike everything after the period

Page 29, strike line 12

Pages 32 to 33, delete section 44

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 8, delete "86.51;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1856 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 47 and nays 17, as follows:

Those who voted in the affirmative were:

Belanger	Frederickson	Lessard	Peterson, R. W.	Stokowski
Berglin	Hanson	Luther	Petty	Stumpf
Bertram	Hughes	Menning	Ramstad	Taylor
Chmielewski	Humphrey	Merriam	Schmitz	Tennessen
Dahl	Johnson	Moe, D. M.	Setzepfandt	Waldorf
Davies	Knoll	Moe, R. D.	Sieloff	Wegener
Davis	Kroening	Nelson	Sikorski	Willet
Dicklich	Kronebusch	Pehler	Solon	
Dieterich	Langseth	Penny	Spear	
Frank	Lantry	Peterson, C. C.	Stern	

Those who voted in the negative were:

Bang	Brataas	Knutson	Purfeerst	Vega
Benson	Engler	Lindgren	Renneke	
Berg	Frederick	Olhoft	Rued	
Bernhagen	Kamrath	Peterson, D. L.	Ulland	

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

S.F. No. 328: A bill for an act relating to liens; modifying the penalties for failure to properly use the proceeds of payments made for the satisfaction of labor, skill, material, and machinery costs for improvements to real property; amending Minnesota Statutes 1980, Section 514.02.

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 64 and nays 0, as follows:

Those who voted in the affirmative were:

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	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennessen
Brataas	Humphrey	Merriam	Renneke	Ulland
Chmielewski	Johnson	Moe, D. M.	Rued	Vega
Dahl	Kamrath	Moe, R. D.	Schmitz	Waldorf
Davies	Knoll	Nelson	Setzepfandt	Wegener
Davis	Knutson	Olhoft	Sieloff	Willet
Dicklich	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1589: A bill for an act relating to crimes; clarifying the definition of physically helpless victims of criminal sexual conduct; amending Minnesota Statutes 1980, Section 609.341, 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:

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

So the bill passed and its title was agreed to.

S.F. No. 1691: A bill for an act relating to housing and redevelopment authorities; clarifying the need for a conflict of interest disclosure statement; amending the method of determining a quorum when a conflict of interest exists; providing penalties; amending Minnesota Statutes 1981 Supplement, Section 462.432, 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

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	Purfeerst	Tennessen
Bertram	Hughes	Menning	Ramstad	Vega
Brataas	Humphrey	Merriam	Renneke	Waldorf
Chmielewski	Johnson	Moe, D. M.	Rued	Wegener
Dahl	Kamrath	Moe, R. D.	Schmitz	Willet
Davis	Knoll	Nelson	Setzepfandt	
Davis	Knutson	Olhoft	Sieloff	
Dicklich	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

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.

Was read the third time 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 6, as follows:

Those who voted in the affirmative were:

Bang	Engler	Langseth	Peterson, D. L.	Stokowski
Belanger	Frank	Lantry	Peterson, R. W.	Stumpf
Benson	Frederick	Lessard	Petty	Taylor
Berg	Frederickson	Lindgren	Ramstad	Tennesen
Berglin	Hanson	Luther	Renneke	Vega
Bertram	Hughes	Menning	Rued	Waldorf
Brataas	Humphrey	Merriam	Schmitz	Wegener
Chmielewski	Kamrath	Moe, D. M.	Setzepfandt	Willet
Dahl	Knoll	Moe, R. D.	Sieloff	
Davies	Knutson	Nelson	Sikorski	
Davis	Kroening	Olhoft	Spear	
Dieterich	Kronebusch	Pehler	Stern	

Those who voted in the negative were:

Bernhagen	Johnson	Penny	Peterson, C. C.	Purfeerst
Dicklich				

So the bill passed and its title was agreed to.

S.F. No. 1673: A bill for an act relating to health; requiring reports of cases of Reyes syndrome; 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 62 and nays 1, 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	Luther	Purfeerst	Tennesen
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	Kamrath	Nelson	Setzepfandt	Willet
Davies	Knoll	Olhoft	Sieloff	
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	Spear	

Mr. Lindgren voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1702: A bill for an act relating to corrections; authorizing the appointment of internal security investigators for adult correctional facilities in the unclassified civil service; clarifying the "good time" and solitary confinement provisions relating to county jails; amending Minnesota Statutes 1980, Sections 241.01, Subdivision 3a; 641.09; and 643.29, 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:

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	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennessee
Brataas	Humphrey	Merriam	Renneke	Ulland
Chmielewski	Johnson	Moe, D. M.	Rued	Vega
Dahl	Kamrath	Moe, R. D.	Schmitz	Waldorf
Davies	Knoll	Nelson	Setzepfandt	Wegener
Davis	Knutson	Olhoft	Sieloff	Willet
Dicklich	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1641: A bill for an act relating to family law; defining a species of marital co-ownership of property and providing for its division in dissolution and annulment actions; amending Minnesota Statutes 1980, Section 518.54, Subdivision 5; and Minnesota Statutes 1981 Supplement, Section 518.58.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 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	Lindgren	Petty	Stumpf
Berglin	Frederickson	Luther	Purfeerst	Taylor
Bernhagen	Hanson	Menning	Ramstad	Tennessee
Bertram	Hughes	Merriam	Renneke	Ulland
Brataas	Humphrey	Moe, D. M.	Rued	Vega
Chmielewski	Johnson	Moe, R. D.	Schmitz	Waldorf
Dahl	Kamrath	Nelson	Setzepfandt	Wegener
Davies	Knoll	Olhoft	Sieloff	Willet
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	Solon	

So the bill passed and its title was agreed to.

S.F. No. 1679: A bill for an act relating to the military; providing for the administration of oaths and acknowledgments by a member of the armed forces of the United States; amending Minnesota Statutes 1980, Sections 192.205, by adding a subdivision; and 358.32.

Was read the third time 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:

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	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennessee
Brataas	Humphrey	Merriam	Renneke	Ulland
Chmielewski	Johnson	Moe, D. M.	Rued	Vega
Dahl	Kamrath	Moe, R. D.	Schmitz	Waldorf
Davies	Knoll	Nelson	Setzepfandt	Wegener
Davis	Knutson	Olhoff	Sieloff	Willet
Dicklich	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1727: A bill for an act relating to retirement; second class city police relief associations; eliminating a dollar amount limitation on the payment of salaries to relief association officers; amending Minnesota Statutes 1981 Supplement, Section 423.808.

Was read the third time 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:

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	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennessee
Brataas	Humphrey	Merriam	Renneke	Ulland
Chmielewski	Johnson	Moe, D. M.	Rued	Vega
Dahl	Kamrath	Moe, R. D.	Schmitz	Waldorf
Davies	Knoll	Nelson	Setzepfandt	Wegener
Davis	Knutson	Olhoff	Sieloff	Willet
Dicklich	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1749: A bill for an act relating to local improvements; providing the method for action on certain improvements by certain towns; amending Minnesota Statutes 1980, Section 429.011, Subdivision 2b.

Was read the third time 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:

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	Purfeerst	Taylor
Bernhagen	Hanson	Luther	Ramstad	Tennesen
Bertram	Hughes	Menning	Renneke	Ulland
Brataas	Humphrey	Merriam	Rued	Vega
Chmielewski	Johnson	Moe, R. D.	Schmitz	Waldorf
Dahl	Kamrath	Nelson	Setzepfandt	Wegener
Davies	Knoll	Olhoft	Sieloff	Willet
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1744: A bill for an act relating to taxation; income tax; property tax refund; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; imposing penalties on a preparer for wilfully understating an income tax liability or wilfully overstating a property tax refund claim; proposing new law coded in Minnesota Statutes, Chapters 290 and 290A.

Was read the third time 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:

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	Purfeerst	Taylor
Bernhagen	Hanson	Luther	Ramstad	Tennesen
Bertram	Hughes	Menning	Renneke	Ulland
Brataas	Humphrey	Merriam	Rued	Vega
Chmielewski	Johnson	Moe, R. D.	Schmitz	Waldorf
Dahl	Kamrath	Nelson	Setzepfandt	Wegener
Davies	Knoll	Olhoft	Sieloff	Willet
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	Solon	

So the bill passed and its title was agreed to.

### CONSENT CALENDAR

S. F. No. 2103: A bill for an act relating to retirement; St. Cloud firefighters relief association; clarifying and resolving an inconsistency in prior enactments concerning medical and health insurance coverage for certain relief association members; amending Laws 1974, Chapter 382, Sections 4, Subdivision 3, as amended; and 6, 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

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	Purfeerst	Tennessee
Brataas	Humphrey	Menning	Ramstad	Ulland
Chmielewski	Johnson	Merriam	Renneke	Vega
Dahl	Kamrath	Moe, R. D.	Rued	Waldorf
Davis	Knoll	Nelson	Schmitz	Wegener
Davis	Knutson	Olhoft	Setzepfandt	Willet

So the bill passed and its title was agreed to.

### GENERAL ORDERS

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

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

S.F. Nos. 1613, 1812, 1713, 1566 and 1602, which the committee recommends to pass.

S.F. No. 1804, which the committee recommends to pass, subject to the following motions:

Mr. Langseth moved to amend S.F. No. 1804 as follows:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1981 Supplement, 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 aggregate material~~ for sale from ~~gravel~~ pits or deposits, a production tax in an amount not to exceed ten cents per cubic yard of ~~gravel aggregate material~~ removed. For purposes of this section, ~~gravel shall include sand and limestone~~ "aggregate material" means non-metallic natural mineral aggregate including, but not limited to sand, gravel, crushed rock, crushed limestone and crushed granite.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 298.75, Subdivision 2, is amended to read:

Subd. 2. By the 14th day following the last day of each calendar quarter in each county in which a tax is imposed pursuant to this section or any special law, every operator shall make and file with the county auditor of the county in which the ~~gravel aggregate material~~ 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 aggregate material~~ removed during the preceding calendar quarter. The report shall be accompanied by a remittance of the amount of tax due.

Sec. 3. Minnesota Statutes 1980, Section 298.75, Subdivision 5, is amended to read:



Subd. 5. It is a misdemeanor for any operator to remove ~~gravel~~ *aggregate material* from a pit or deposit unless all taxes due under this section have been paid or objections thereto have been filed pursuant to subdivision 3.

Sec. 4. Minnesota Statutes 1980, Section 298.75, Subdivision 6, is amended to read:

Subd. 6. All moneys collected as taxes under this section shall be deposited in the county treasury and credited as follows, for expenditure by the county board:

(a) Sixty percent to the county road and bridge fund for expenditure for the maintenance, construction and reconstruction of roads traveled by vehicles hauling ~~gravel~~ *aggregate material*;

(b) Thirty percent to the town road and bridge fund, for expenditure for maintenance, construction and reconstruction of roads traveled by vehicles hauling ~~gravel~~ *aggregate material*, in a manner determined by the county; and

(c) Ten percent to a special reserve fund which is hereby established, for expenditure for the restoration of abandoned ~~gravel~~ pits or deposits upon lands to which the county holds title or upon tax forfeited lands within the county."

Page 1, line 18, delete "impose a tax pursuant to" and insert "be governed by the provisions of"

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

Page 2, delete line 9

Page 2, line 10, delete "2" and insert "6"

Page 2, after line 12, insert:

"Sections 1 to 5 are effective the day following final enactment."

Page 2, line 13, delete "2" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "specifying the extent of the tax on aggregate materials;"

Page 1, line 4, delete "a gravel" and insert "an aggregate material"

Page 1, line 6, after "amending" insert "Minnesota Statutes 1980, Section 298.75, Subdivisions 5 and 6;"

Page 1, line 7, delete "Section" and insert "Sections 298.75, Subdivisions 1 and 2;"

Mr. Renneke moved to amend the Langseth amendment to S.F. No. 1804 as follows:

Page 1, line 14, after the period, insert "Aggregate material shall not include dimension stone and dimension granite."

The motion prevailed. So the amendment to the Langseth amendment was adopted.

Mr. Schmitz moved to amend the Langseth amendment to S.F. No. 1804 as

follows:

Page 1, line 13, after "rock," add "clay, black dirt."

The motion prevailed. So the amendment to the Langseth amendment was adopted.

Mr. Pehler moved to amend the Langseth amendment to S.F. No. 1804 as follows:

Page 1, line 14, after the language inserted by the Renneke amendment, insert "*Dimension stone or dimension granite shall not include stone or granite of a size to be used for railroad ballast.*"

The motion prevailed. So the amendment to the Langseth amendment was adopted.

The question recurred on the Langseth amendment, as amended.

The motion prevailed. So the amendment, as amended, was adopted.

S.F. No. 1635, which the committee recommends to pass with the following amendment offered by Mr. Taylor:

Amend the title as follows:

Page 1, line 2, delete "eliminating a requirement that"

Page 1, delete line 3

Page 1, line 4, delete "auditor adjustments" and insert "modifying provisions governing school districts financial statements"

The motion prevailed. So the amendment was adopted.

S.F. No. 1698, which the committee recommends to pass with the following amendment offered by Mr. Lindgren:

Page 2, after line 29, insert:

"(c) *The proceeds of the tax may also be used for:*

(i) *the purchase of textbooks, athletic uniforms, and custodial uniforms;*

(ii) *non-consumable instructional supplies whose cost per item does not exceed \$25 per unit;*

(iii) *non-consumable instructional equipment with a useful life of at least five years.*"

Page 2, line 30, strike "(c)" and insert "(d)"

Page 3, line 8, strike "(d)" and insert "(e)"

Page 3, line 10, strike "(e)" and insert "(f)"

Page 3, line 12, strike "(f)" and insert "(g)"

Page 3, line 18, strike "(g)" and insert "(h)"

Amend the title as follows:

Page 1, line 8, after "facilities;" insert "authorizing the use of capital expenditure funds;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1715, which the committee recommends to pass with the following amendments offered by Mr. Petty:

Mr. Petty moved to amend S. F. No. 1715 as follows:

Page 2, line 2, after the period, insert *"Any person who, on the day prior to the effective date of subdivisions 9 to 17, is the incumbent of a position in the classified service which pursuant to subdivisions 9 to 17 is placed in the unclassified service may elect to continue to serve in the classified service by assuming a position in the classified service which he previously held. The civil service commission shall, within 30 days of the date on which the position is placed in the unclassified service pursuant to subdivisions 9 to 17, notify the incumbent of the position of his or her rights to assume a previously held position in the classified service. Any person who elects to remain in the classified service shall notify the commission in writing of this election within 60 days after the commission's notice is sent. A person who fails to file this notice shall be deemed to have waived any rights to remain in the classified service."*

Amend the title as follows:

Page 1, line 2, after the semicolon insert "providing duties of the civil service commission;"

The motion prevailed. So the amendment was adopted.

Mr. Petty then moved to amend S.F. No. 1715 as follows:

Page 1, line 25, delete "18" and insert "17"

Page 2, delete lines 33 to 35

Renumber the subdivisions in sequence

Page 5, line 3, delete "12" and insert "18"

Page 7, line 19, delete "1" and insert "3"

Page 7, line 19, delete "2" and insert "4"

The motion prevailed. So the amendment was adopted.

S.F. No. 1821, which the committee recommends to pass, after the following motion:

Mr. Sieloff moved to amend S.F. No. 1821 as follows:

Page 2, line 35, reinstate the stricken language

Page 2, line 36, reinstate the stricken language before "~~In~~"

Page 2, line 36, after "County" insert ", Hennepin County,"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 6 and nays 28, as follows:

Those who voted in the affirmative were:

Berg  
Kronebusch

Ramstad

Setzepfandt

Sieloff

Ulland

Those who voted in the negative were:

Benson	Dicklich	Lantry	Moe, R. D.	Spear
Berglin	Dieterich	Lessard	Pehler	Vega
Bernhagen	Frank	Luther	Penny	Waldorf
Bertram	Kamrath	Menning	Peterson, R. W.	Willet
Dahl	Kroening	Merriam	Renneke	
Davies	Langseth	Moe, D. M.	Rued	

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

S.F. No. 1910, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Page 3, line 13, delete "*eligible individual*" and insert "*medical assistance recipient*"

Page 3, line 17, after the period, insert "*The screening team shall provide documentation that the most cost effective alternatives available were offered to this individual or the individual's legal representative.*"

Page 4, line 10, before the period, insert "*and shall provide documentation in each individual's plan of care that the most cost effective alternatives available have been offered to the individual*"

Page 4, line 31, delete "*75 percent of*"

Page 4, line 32, delete "*regional per diem*" and after "*payment*" insert "*, as determined by the commissioner,*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1766, which the committee recommends to pass with the following amendment offered by Mr. Pehler:

Page 29, lines 28 to 31, reinstate the stricken language

Page 29, lines 28 and 31, delete the new language

Page 55, line 32, after the comma, insert "*or*"

Page 56, line 11, after the comma, insert "*or*"

Page 89, line 32, delete "*disributed*" and insert "*distributed*"

The motion prevailed. So the amendment was adopted.

On motion of Mr. Spear, 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. Davies from the Committee on Judiciary, to which was referred

S.F. No. 1891: A bill for an act relating to real property; providing for relief in certain cases from inequitable foreclosure of mortgages, termination of contracts for the conveyance of real estate, and execution sales of real property during an emergency declared by the governor; authorizing the governor to declare by proclamation a public economic emergency under certain conditions, limiting its duration, and providing nullifying powers in the legislature;

postponing certain sales and extending the period of redemption of real property during an emergency; providing for possession during the extended period; and limiting the right to maintain actions for deficiency judgments; proposing new law coded in Minnesota Statutes, Chapter 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. [582A.01] [LEGISLATIVE FINDINGS.]

*The legislature finds that the continuing and unprecedented inflationary trends have eroded the economy; that the cost of production in farming often exceeds the price received for farm commodities; that the continuing increase in the cost of consumer goods has curtailed the ability to purchase these goods; that the reduction in purchasing power of consumers has resulted in unemployment; and that by reason of these conditions and the high rates of interest on mortgage loans and contracts for deed, many citizens of this state will be unable for extended periods of time to meet in full all payments of taxes, interest and principal on mortgages, and contract for deed payments on their properties and are, therefore, threatened with loss of their real property through mortgage foreclosure, contract for deed termination, and judicial sales. The legislature further finds that these conditions may result in an emergency of a nature that justifies and validates legislation for the extension of the time of redemption from mortgage foreclosure, execution sales, contract cancellations, and other relief of a similar character to be effective only in the event that the governor finds that the conditions, in fact, have resulted in an emergency and issues a proclamation to that effect.*

Sec. 2. [582A.02] [EMERGENCY PROCLAMATION.]

*If the governor, after consultation with appropriate departments and agencies, finds that the number of mortgage foreclosures, judicial sales, and terminations of contracts for deed on real property used for farming are significantly increasing, he may by proclamation declare that a public economic emergency exists in the state. Upon proclamation, sections 3 to 12 are in effect.*

*The emergency proclaimed shall remain in effect only from the date of the proclamation to April 1, 1983. The legislature, by law, may declare the proclamation a nullity and that the proclamation and sections 3 to 12 are of no effect. The governor shall not declare an emergency under the provisions of this section after nullification of a prior proclamation by the legislature.*

Sec. 3. [582A.03] [APPLICATION.]

*Subdivision 1. [GENERAL EXCLUSION.] The provisions of sections 1 to 12 do not apply to mortgages or contracts for deed made after January 1, 1982, nor to mortgages made prior to the date of the governor's proclamation, which are renewed or extended after the effective date of sections 1 and 2. No court shall allow a resale, stay, postponement, or extension of time that would cause any right to be lost or adversely affected by any statute of limitation.*

*Subd. 2. [EXCLUSION; GOVERNMENT BONDS.] The provisions of this act do not apply to any mortgage held by or pledged to secure payment of notes or bonds issued by the Minnesota housing finance agency or by a city pursuant to a municipal housing program under chapter 462C.*

*Subd. 3. [PROPERTY COVERED; REQUIREMENTS.] The provisions of sections 1 to 12 apply only to judgments against mortgages secured by and contracts for deed conveying real property used materially and not just incidentally for the purposes of farming. Sections 1 to 12 do not apply to any mortgage on or security interest in tangible or intangible personal property. Sections 1 to 12 do not apply to any contract for deed on which less than 30 percent of the total purchase price has been paid nor to any contract for deed conveying, mortgage on, or judgment against real estate which is not used, in whole or in part, as the principal residence of the owner, judgment debtor, or contract vendee or his family on a substantially continuous basis since the execution of the contract for deed or to the making or assumption of the mortgage. The court shall be liberal in determining whether property conveyed by contract for deed is used as a principal residence on a substantially continuous basis.*

**Sec. 4. [582A.04] [MORTGAGOR MAY PETITION DISTRICT COURT FOR RELIEF.]**

*In any proceedings commenced prior to a proclamation made pursuant to section 2 for the foreclosure of a mortgage on real estate by advertisement, in which a sale of the property has not been had, or in any proceedings commenced after a proclamation, the mortgagor, or the owner in possession of the mortgaged premises, or anyone claiming under the mortgage, or anyone liable for the mortgage debt, at any time after the issuance of the notice of the foreclosure proceedings, may petition the district court of the county wherein the foreclosure proceedings are pending, serving a summons and verified complaint requesting that the sale in foreclosure by advertisement be postponed and that the foreclosure, if any, shall proceed by action. If it appears to the court that the granting of the relief requested would be equitable and just, the court may postpone the foreclosure proceedings by advertisement by ex parte order which shall be served with the summons and complaint upon the party foreclosing or his attorney. At the time of hearing on the ex parte order, the court may then further postpone the sale, and the parties seeking to foreclose the mortgage shall proceed, if at all, to foreclose the mortgage by action. As a condition precedent to the postponement of the foreclosure sale by advertisement, the party serving the verified complaint shall file it and pay to the clerk for the person foreclosing the mortgage the actual costs incurred, not including attorney's fees, in the foreclosure proceeding prior to postponement. The filing of the verified complaint shall be deemed a waiver of publication of notice of postponement of the foreclosure sale and the sale at the time which may be fixed by the court shall be deemed to be a sale postponed in lieu of the time of sale specified in the published notice of mortgage foreclosure sale.*

**Sec. 5. [582A.05] [COURT MAY ORDER RESALE.]**

*When any mortgage has been foreclosed by action, the court shall, upon receipt of the report of sale, cause notice of a hearing thereon to be served on the parties to the action who have appeared, and fix the time and place of hearing on the report. Before granting an order confirming the sale, the court shall order a resale if it appears that the sale price is unreasonably and unfairly inadequate. If the sale is confirmed, the sheriff, or his deputy, shall forthwith execute and deliver the proper certificate of sale which shall be recorded within 20 days after the confirmation. Upon hearing on the motion for an order confirming the sale in the foreclosure of mortgages by action, if the evidence is*

insufficient to establish a fair and reasonable market or rental value of the property, the court may receive evidence, including evidence tending to establish the actual value of the property, for the purpose or purposes for which the property is or can be used. The court shall also receive evidence tending to show to what extent, if any, the property has decreased in market value by reason of the economic conditions existing at the time of or prior to the sale.

Sec. 6. [582A.06] [COMPROMISES.]

If the parties to a foreclosure action agree in writing to a compromise settlement thereof, or of composition of the mortgage indebtedness, or both, the court shall have jurisdiction and may by its order confirm and approve the settlement or composition, or both, as the case might be.

Sec. 7. [582A.07] [JURISDICTION OF COURT.]

The court shall have jurisdiction to postpone the termination of a contract for the conveyance of real estate; to postpone the enforcement of judgment by levy, execution and sale or to order resale; and to postpone foreclosure of a mortgage secured by real estate. Upon the governor's proclamation, the inability of the mortgagor, judgment debtor, or contract purchaser to make the payments under a contract for the conveyance of real estate, mortgage agreement, or judgment shall be a valid defense to levy, execution, sale, seizure, repossession, termination, and foreclosure during the effective period of the governor's proclamation.

Sec. 8. [582A.08] [PERIOD OF REDEMPTION AND REINSTATEMENT MAY BE EXTENDED.]

(i) If any mortgage on real property has been foreclosed and the period of redemption has not expired; (ii) if a sale is made during the effective period of the governor's proclamation; (iii) if a sale of any real property is made under any judgment or execution when the period of redemption has not expired or when the sale under clauses (i) and (ii) is made during the effective period of the governor's proclamation; or (iv) if a receipt of notice of termination of a contract for deed, the period of redemption or the period during which the contract for deed may be reinstated may be extended for such additional time as the court determines to be just and equitable but in no event beyond the effective period of the governor's proclamation; provided that the contract vendee, in the case of a contract for deed termination, the mortgagor or the owner in possession of the property, in the case of mortgage foreclosure proceedings, or the judgment debtor, in case of levy, execution, or sale under judgment shall prior to the expiration of the period of redemption in the case of a mortgage, the expiration of the period during which the contract for deed can be reinstated, or to sale under judgment, petition the district court on not less than ten days' written notice to the contract vendor, mortgagee, or judgment creditor, or his attorney for an order postponing levy, execution, seizure, sale, termination, or forfeiture, and determining the reasonable value of the income on the property, or, if the property has no income, then the reasonable rental value of the property subject to the contract for deed, mortgage, or judgment, and directing and requiring the contract vendee, mortgagor, or judgment debtor to pay all or a reasonable part of the income or rental value for the payment of taxes, insurance, interest, principal or judgment indebtedness at the times and in the manner determined by the court. The court shall hear the petition and after the hearing shall make and file its order directing the pay-

ment by the contract vendee, mortgagor, or judgment debtor of an amount at the times and in the manner that the court determines just and equitable. Upon service of the petition, the running of the period of redemption, reinstatement of contract for deed shall be tolled and further proceedings under levy and execution shall be stayed until the court makes its order upon the petition. If the contract vendee, mortgagor, or judgment debtor defaults in the payments ordered, or commits waste, his right to redeem from the sale, cure the default on the contract for deed, or postpone seizure and sale shall terminate 30 days after the default. Thereafter holders of subsequent liens may redeem in the order and manner provided by law beginning 30 days after the filing of notice of the default with the clerk of district court, the right to possession shall cease and the contract vendor or party acquiring title to the real estate shall be entitled to immediate possession of the premises. If default is claimed because of waste, the 30 day period shall not begin to run until the filing of an order of the court finding the waste. No action shall be maintained for a deficiency judgment until the period of redemption as allowed by section 580.23, or as extended under the provisions of sections 3 to 12, has expired.

Sec. 9. [582A.09] [COURT MAY REVISE AND ALTER TERMS.]

Upon the application of either party prior to the expiration of the extended period of redemption, reinstatement of contract for deed, or payment on judgment as provided in sections 1 to 12 and upon the presentation of evidence that the terms fixed by the court are no longer just and reasonable, the court may revise and alter the terms, in the manner as the changed circumstances and conditions require.

Sec. 10. [582A.10] [TRIAL TO BE HELD WITHIN 30 DAYS.]

The trial of any action, hearing, or proceeding provided for in sections 1 to 12, shall be held within 30 days after the filing of the petition. The order therein shall be made and filed within five days after the trial. Review by the supreme court may be had by certiorari, if application for the writ is made within 15 days after notice of the order and the writ shall be returnable within 30 days after the filing of the order.

Sec. 11. [582A.11] [LIMITATIONS.]

No postponement or extension shall be ordered under conditions which would substantially diminish or impair the value of the contract or obligation of the person against whom the relief is sought, without reasonable allowance to justify the exercise of the police power authorized in sections 1 to 12.

Sec. 12. [582A.12] [INCONSISTENT LAWS SUSPENDED.]

Every law, to the extent it is inconsistent with sections 1 to 12, is suspended during the effective period of the governor's proclamation.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment. Sections 3 to 12 are effective on the date of the governor's proclamation declaring a public economic emergency as provided in section 2."

Delete the title and insert:

"A bill for an act relating to real property; providing for relief in certain cases from inequitable foreclosure of mortgages, termination of contracts for



the conveyance of real estate, and execution sales of real property during an emergency declared by the governor; authorizing the governor to declare by proclamation a public economic emergency under certain conditions, limiting its duration, and providing nullifying powers in the legislature; postponing certain sales and extending the period of redemption of real property during an emergency; providing for possession during the extended period; and limiting the right to maintain actions for deficiency judgments; proposing new law coded as Minnesota Statutes, Chapter 582A."

And when so amended the bill be re-referred to the Committee on Commerce without recommendation.

Mr. Moe, R.D. moved the adoption of the foregoing committee report. The motion prevailed. Report adopted.

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

### MOTIONS AND RESOLUTIONS

Mr. Bang moved that H.F. No. 1611 be withdrawn from the Committee on Employment and re-referred to the Committee on Judiciary. The motion prevailed.

### CONFIRMATION

Mr. Olhoft moved that the report from the Committee on General Legislation and Administrative Rules, reported February 24, 1982, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Olhoft moved that the foregoing report be now adopted. The motion prevailed.

Mr. Olhoft moved that in accordance with the report from the Committee on General Legislation and Administrative Rules, reported February 24, 1982, the Senate, having given its advice, do now consent to and confirm the appointments of:

### STATE ZOOLOGICAL BOARD

Stephen D. Doyle, 8990B Neill Lake Road, Eden Prairie, Hennepin County, effective May 27, 1981, for a term expiring the first Monday in January, 1982; and effective February 3, 1982, for a term expiring the first Monday in January, 1986.

Toni Lin Hengesteg, 3385 Chandler, Shoreview, Ramsey County, effective May 27, 1981, for a term expiring the first Monday in January, 1982; and effective February 3, 1982, for a term expiring the first Monday in January, 1986.

James L. Weaver, 4235 Dupont Avenue South, Minneapolis, Hennepin County, effective May 27, 1981, for a term expiring the first Monday in January, 1985.

Randall J. Gort, 1901 Fremont Avenue South, Minneapolis, Hennepin County, effective June 18, 1981, for a term expiring the first Monday in January, 1985.

The motion prevailed. So the appointments were confirmed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Knutson moved that the name of Mrs. Lantry be added as chief author and his name be shown as a co-author to S.F. No. 1633. 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. Setzepfandt introduced—

S.F. No. 2180: A bill for an act relating to taxation; authorizing the commissioner of revenue to adopt certain rules; limiting recording of certain real estate transfers; amending Minnesota Statutes 1980, Section 272.115, by adding a subdivision; repealing Minnesota Statutes 1980, Section 287.241, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Purfeerst and Solon introduced—

S.F. No. 2181: A bill for an act relating to corrections; providing for chiropractic services to persons confined in correctional institutions; amending Minnesota Statutes 1981 Supplement, Section 241.021, Subdivision 4.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Dahl introduced—

S.F. No. 2182: A bill for an act relating to Independent School District No. 624; authorizing a tax levy for community recreation programs.

Referred to the Committee on Education.

Mr. Taylor introduced—

S.F. No. 2183: A bill for an act relating to local government; authorizing the city of Mankato and the city of North Mankato to impose a tax on the gross receipts from the furnishing of certain lodging.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Davis introduced—

S.F. No. 2184: A bill for an act relating to education; authorizing school districts aid and levy to reduce class sizes; amending Minnesota Statutes 1980, Section 275.125, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 124.

Referred to the Committee on Education.

Mr. Langseth introduced—

S.F. No. 2185: A bill for an act relating to game and fish; prohibiting the use of gill nets in taking fish; providing a penalty; proposing new law coded in Minnesota Statutes, Chapter 101.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Langseth introduced—

S.F. No. 2186: A bill for an act relating to game and fish; authorizing the designation of lakes for northern pike propagation and management; proposing new law coded in Minnesota Statutes, Chapter 101.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Lindgren introduced—

S.F. No. 2187: A bill for an act relating to public welfare; designating the commissioner of public welfare as the state authority for federal mental health, alcohol and drug abuse block grants; prescribing a formula for distribution of federal funds to counties and defining duties of counties in the use of the funds; amending Minnesota Statutes 1980, Sections 245.70; and 245.71; proposing new law coded in Minnesota Statutes, Chapter 245.

Referred to the Committee on Health, Welfare and Corrections.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon Tuesday, March 2, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SEVENTY-NINTH DAY

St. Paul, Minnesota, Tuesday, March 2, 1982

The Senate met at 12:00 noon 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. M.E. Sandness.

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

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	Purfeerst	Taylor
Berglin	Frederickson	Menning	Ramstad	Tennessee
Bernhagen	Hanson	Merriam	Renneke	Ulland
Bertram	Hughes	Moe, D.M.	Rued	Vega
Brataas	Johnson	Moe, R.D.	Schmitz	Waldorf
Chmielewski	Kamrath	Nelson	Setzepfandt	Wegener
Dahl	Knutson	Olhoft	Sieloff	Willet
Davies	Kroening	Pehler	Sikorski	
Davis	Kronebusch	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. Humphrey, Keefe and Knoll were excused from the Session of today.

### 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. 1521, 1695, 233 and 1514.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 1, 1982

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. 272: A bill for an act relating to children; prohibiting neglect and abuse of children; amending Minnesota Statutes 1980, Sections 626.556, Subdivision 2, and by adding a subdivision; and 626.557, Subdivision 19.

Senate File No. 272 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 1, 1982

### CONCURRENCE AND REPASSAGE

Mr. Spear moved that the Senate concur in the amendments by the House to S.F. No. 272 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 272: A bill for an act relating to public welfare; requiring certain facilities to safeguard the well-being of persons in their care; specifying persons mandated to report; providing penalties; amending Minnesota Statutes 1980, Sections 626.556, by adding a subdivision; 626.557, Subdivisions 2 and 19; Minnesota Statutes 1981 Supplement, Section 626.556, Subdivision 2.

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

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

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Olhoft	Sikorski
Bang	Dieterich	Lantry	Pehler	Solon
Belanger	Engler	Lessard	Penny	Spear
Benson	Frank	Lindgren	Peterson, C. C.	Stern
Berg	Frederick	Luther	Peterson, R. W.	Stokowski
Bertram	Frederickson	Menning	Petty	Stumpf
Chmielewski	Hanson	Merriam	Renneke	Tennessee
Dahl	Johnson	Moe, D. M.	Rued	Ulland
Davies	Kamrath	Moe, R. D.	Schmitz	Vega
Davis	Kronebusch	Nelson	Setzepfandt	Willet

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1139, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1139 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 1, 1982

### CONFERENCE COMMITTEE REPORT ON 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.

March 1, 1982.

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. 1139, 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. 1139 be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 2.722, Subdivision 1, is amended to read:

Subdivision 1. [DESCRIPTION.] Effective July 1, 1959, the state is divided into ten judicial districts composed of the following named counties, respectively, in each of which districts two or more judges shall be chosen as hereinafter specified:

1. Goodhue, Dakota, Carver, LeSueur, McLeod, Scott, and Sibley; ~~five~~ *seven* judges; and four permanent chambers shall be maintained in Red Wing, Hastings, Shakopee, and Glencoe and one other shall be maintained at the place designated by the chief judge of the district;

2. Ramsey; ~~42~~ *13* judges;

3. Wabasha, Winona, Houston, Rice, Olmsted, Dodge, Steele, Waseca, Freeborn, Mower, and Fillmore; six judges; and permanent chambers shall be maintained in Faribault, Albert Lea, Austin, Rochester, and Winona;

4. Hennepin; ~~49~~ *24* judges;

5. Blue Earth, Watonwan, Lyon, Redwood, Brown, Nicollet, Lincoln, Cottonwood, Murray, Nobles, Pipestone, Rock, Faribault, Martin, and Jack-

son; five judges; and permanent chambers shall be maintained in Marshall, Windom, Fairmont, New Ulm, and Mankato;

6. Carlton, St. Louis, Lake, and Cook; six judges;

7. Benton, Douglas, Mille Lacs, Morrison, Otter Tail, Stearns, Todd, Clay, Becker, and Wadena; four judges; and permanent chambers shall be maintained in Moorhead, Fergus Falls, Little Falls, and St. Cloud;

8. Chippewa, Kandiyohi, Lac qui Parle, Meeker, Renville, Swift, Yellow Medicine, Big Stone, Grant, Pope, Stevens, Traverse, and Wilkin; three judges; and permanent chambers shall be maintained in Morris, Montevideo, and Willmar;

9. Norman, Polk, Marshall, Kittson, Red Lake, Roseau, Mahanomen, Pennington, Aitkin, Itasca, Crow Wing, Hubbard, Beltrami, Lake of the Woods, Clearwater, Cass and Koochiching; six judges; and permanent chambers shall be maintained in Crookston, Thief River Falls, Bemidji, Brainerd, Grand Rapids, and International Falls;

10. Anoka, Isanti, Wright, Sherburne, Kanabec, Pine, Chisago, and Washington; ~~six~~ *ten* judges; and permanent chambers shall be maintained in Anoka, Stillwater, and ~~such~~ other places ~~as may~~ be designated by the chief judge of the district.

Sec. 2. Minnesota Statutes 1980, Section 2.722, is amended by adding a subdivision to read:

*Subd. 3. [HENNEPIN AND RAMSEY PROBATE JUDGES; COURTS.] The probate judges of Ramsey and Hennepin probate courts in office on August 1, 1982, shall be district court judges of the second and fourth judicial districts, respectively, and shall continue in office for the balance of the term for which they were elected and shall be eligible for reelection. The offices of probate court of Ramsey and Hennepin counties, and all of their jurisdiction, records, powers, duties, functions, and personnel, are hereby transferred to the district courts of the second and fourth judicial districts respectively and made divisions of them. The chief judge of the fourth judicial district shall at all times assign at least two judges to the probate court duties.*

Sec. 3. [484.011] [JURISDICTION IN SECOND AND FOURTH JUDICIAL DISTRICTS.]

*In the second and fourth judicial districts the district court shall also be a probate court.*

Sec. 4. Minnesota Statutes 1980, Section 487.03, is amended by adding a subdivision to read:

*Subd. 6. [JUDGE POSITIONS; CREATION; ABOLITION.] 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, 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.*

Sec. 5. Minnesota Statutes 1980, Section 487.15, is amended to read:

## 487.15 [CIVIL JURISDICTION.]

The county court may hear, try, and determine actions at law in which the amount in controversy does not exceed ~~the sum of \$5,000~~ \$15,000, exclusive of interest and costs, except for causes involving title to real estate.

Sec. 6. Minnesota Statutes 1980, Section 487.16, is amended to read:

## 487.16 [MINOR CIVIL AND CRIMINAL JURISDICTION.]

The county court shall also have jurisdiction in all civil and criminal cases residing, on the effective date of Laws 1971, Chapter 951 and Laws 1973, Chapter 679, in municipal courts other than municipal courts in Hennepin and Ramsey Counties, ~~except that notwithstanding any law to the contrary, no county court shall have gross misdemeanor jurisdiction.~~ *The county court shall have gross misdemeanor jurisdiction.*

Sec. 7. Minnesota Statutes 1980, Section 487.18, is amended to read:

## 487.18 [CRIMINAL JURISDICTION.]

(a) The county court has jurisdiction to hear, try and determine any charge of violation of

(+) a criminal law of this state constituting a misdemeanor *or gross misdemeanor* committed within the county court district; *and of*

(-) any ordinance, charter provision, rule or regulation of any subdivision of government in the county court district.

(b) The county court has jurisdiction to conduct preliminary hearings and to exercise all judicial powers incident to preliminary hearing proceedings on the charge of violation of any criminal law committed within the county court district.

(c) The county court has jurisdiction to hear, try and determine any matter constituting a petty misdemeanor.

## Sec. 8. [487.191] [MERGER WITH DISTRICT COURTS.]

*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 county 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.*

*Upon the effective date of a judicial district reorganization, the district court, except in the second and fourth districts, shall also exercise the powers, duties, and jurisdiction conferred upon courts by chapters 260, 484, 487, 491, 492, 493, and 525.*

*Upon the effective date of a judicial district reorganization of the second or fourth districts, the district court shall also exercise the powers conferred upon courts by chapters 488A, 492, and 493.*

*Notwithstanding any other law, the county or county municipal judges of the district in office on the effective date of a reorganization 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.*



Sec. 9. Minnesota Statutes 1980, Section 487.30, Subdivision 1, is amended to read:

Subdivision 1. The conciliation court shall hear and determine civil claims if the amount of money or property which is the subject matter of the claim does not exceed ~~\$1,000~~ \$1,250 for the determination thereof without jury trial and by a simple and informal procedure. The rules of the supreme court shall provide for a right of appeal from the decision of the conciliation court to the county court for a trial on the merits. The territorial jurisdiction of a conciliation court shall be coextensive with the county in which the court is established.

Sec. 10. Minnesota Statutes 1980, Section 488A.01, Subdivision 4, is amended to read:

Subd. 4. [CIVIL JURISDICTION.] Excepting causes involving title to real estate, the court has jurisdiction to hear, try and determine civil actions at law in which the amount in controversy does not exceed the sum of ~~\$6,000~~ \$15,000, exclusive of interest and costs.

Sec. 11. Minnesota Statutes 1980, Section 488A.01, Subdivision 6, is amended to read:

Subd. 6. [CRIMINAL JURISDICTION.] (a) The court has jurisdiction to hear, try and determine any charge of violation of:

(1) A criminal law of this state constituting a misdemeanor or gross misdemeanor committed within the county of Hennepin including all of the city of St. Anthony.

(2) Any ordinance, charter provision, rule or regulation of any subdivision of government in the county of Hennepin, including all of the city of St. Anthony or

(3) Any ordinance, charter provision, rule or regulation of the Minneapolis-St. Paul Metropolitan Airports Commission.

(b) The court has jurisdiction to conduct preliminary hearings and to exercise all judicial powers incident to preliminary hearing proceedings, on any charge of violation of any criminal law of this state committed within the county of Hennepin.

Sec. 12. Minnesota Statutes 1980, Section 488A.01, Subdivision 8, is amended to read:

Subd. 8. [TERRITORIAL JURISDICTION.] The summons in civil and forcible entry and unlawful detainer actions may be served only within the county of Hennepin except that such summons may be served in Ramsey county on state officials for non-resident individuals and corporations under statutes providing for such service. Garnishment summons, subpoenas and All other civil and criminal process and orders may be served and enforced anywhere within the state of Minnesota.

Sec. 13. 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~~ \$1,250. 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. 14. 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 ~~\$4000~~ \$1,250, 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.

Sec. 15. Minnesota Statutes 1980, Section 488A.18, Subdivision 4, is amended to read:

Subd. 4. [CIVIL JURISDICTION.] (a) Excepting cases involving title to real estate, the court has jurisdiction to hear, try and determine civil actions at law in which the amount in controversy does not exceed the sum of ~~\$6,000~~ \$15,000, exclusive of interest and costs. The territorial jurisdiction of the court is coextensive with the geographic boundaries of the county of Ramsey.

(b) The court also has jurisdiction, within the limitations provided in this subdivision, to hear, try and determine civil actions commenced by a plaintiff, resident of Ramsey county, where the action arose out of alleged negligent operation of a motor vehicle in Ramsey county, notwithstanding that the defendant or defendants are not residents of the county. Notwithstanding any law or rule of civil procedure to the contrary, the summons in ~~any such the~~ action may be served anywhere within the state of Minnesota.

(c) Notwithstanding the provisions of clause (a) or any rule of court to the contrary, the municipal 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 within the state of Minnesota.

Sec. 16. Minnesota Statutes 1980, Section 488A.18, Subdivision 7, is amended to read:

Subd. 7. [CRIMINAL JURISDICTION.] (a) The court has jurisdiction to hear, try and determine any charge of violation within Ramsey county of:

(1) A criminal law of this state constituting a misdemeanor or gross misdemeanor and any offense of this state which constitutes a petty misdemeanor,

(2) Any ordinance, charter provision, rule or regulation of any subdivision of government in the county of Ramsey, or

(3) Any ordinance, charter provision, rule or regulation of the Minneapolis-Saint Paul Metropolitan Airports Commission,

(4) Any ordinance, rule or regulation of the regents of the University of

Minnesota.

~~(b) The court has jurisdiction to conduct preliminary hearings and to exercise all judicial powers incident to preliminary hearing proceedings, on any charge of violation of any criminal law of this state committed within Ramsey county.~~

~~(c) Jurisdiction under clauses (1) and (2) of paragraph (a) of this subdivision is exclusive for any violation committed within the county of Ramsey; jurisdiction under paragraph (b) of this subdivision is exclusive for any violation committed inside the city of Saint Paul or inside that part of the village of Saint Anthony lying inside Ramsey county.~~

Sec. 17. 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. 18. Minnesota Statutes 1980, Section 488A.18, Subdivision 13, is amended to read:

Subd. 13. [TRIAL OF CRIMINAL ACTIONS.] All charges of misdemeanors, *gross misdemeanors*, petty misdemeanors and ordinance violations shall be tried in the municipality where the alleged violation occurred; ~~however,~~ If there is no court located in ~~such~~ *the* municipality, then the trial of ~~such~~ *the* charges shall take place at the nearest place of holding court. In addition to ~~such any~~ daytime arraignments as the court may establish, traffic and criminal arraignments shall be held at least once each week in the evening after 7:00 p.m. if so requested by the governing body of a city in which a court is situated as provided by Laws 1973, Chapter 708 by a resolution filed with the administrator of court.

Sec. 19. 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~~ *\$1,250*. 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. 20. 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~~ *\$1,250*, 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.

Sec. 21. Minnesota Statutes 1980, Section 491.03, Subdivision 4, is amended to read:

Subd. 4. In case the controversy is as to the ownership or possession, or as to both the ownership and possession, of personal property where the value of same does not exceed the sum of ~~\$1,000~~ \$1,250 and the action is commenced by the plaintiff filing, as herein provided, with the clerk a sworn statement as to his ownership, or right of possession, or both, of such property, the court in its discretion may, by order, direct the officer of the court to take possession of such property immediately, and to hold same subject to the further order of the court, without the giving of any bond.

Sec. 22. Minnesota Statutes 1980, Section 491.04, Subdivision 1, is amended to read:

Subdivision 1. In case the parties brought before the conciliation court, in the manner provided in this chapter, do not agree upon the judgment to be entered, then, in case the amount in controversy, whether the claim of the plaintiff or a counter-claim on the part of the defendant, exceeds the sum of ~~\$1,000~~ \$1,250, and the judge is satisfied the counter-claim is in good faith, the case shall be forthwith dismissed and dropped from the docket, without prejudice, but if the amount involved in controversy be ~~\$1,000~~ \$1,250 or less, or if the judge is of the opinion that the counter-claim, if any, therein in excess of ~~\$1,000~~ \$1,250 is not in good faith, he shall retain jurisdiction and proceed summarily to hear and determine the cause and to enter judgment on his docket. The conclusion of the judge as to the good faith of any counter-claim shall be final and conclusive on all parties for the purposes of the jurisdiction of the court. In case such judgment is not removed, by demand of either party, to the municipal court within ten days after the entry thereof, as provided in this chapter, and the judgment remains unsatisfied, the judgment, on order of the judge shall be docketed in the municipal court by the clerk and shall thereupon be, and be enforced as, the judgment of the municipal court, or the judge may retain jurisdiction for the collection and satisfaction of the judgment by payment to him, but no execution shall issue from the conciliation court.

Sec. 23. [CLERK OF PROBATE COURT, SECOND JUDICIAL DISTRICT.]

*Notwithstanding section 525.09 the judicial district administrator in the second judicial district may appoint a clerk of the probate court for the district subject to the approval of the chief judge and assistant chief judge who shall serve at the pleasure of the judges of the district, who shall be supervised by the judicial district administrator, and whose salary shall be fixed by the Ramsey county board of commissioners.*

Sec. 24. [APPROPRIATION.]

*The sum of \$396,300 is appropriated from the general fund to the state courts 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
\$41,100	\$355,200

Sec. 25. [EFFECTIVE DATE.]

*Sections 4 and 24 are effective the day following final enactment. Section 1 is effective the day following final enactment, except that the two new judge positions created in the first district, two of the new judge positions created in the fourth district, and three of the new judge positions created in the tenth district shall be filled by appointments made on or after January 15, 1983. Sections 6, 7, 11, 16, and 18 are effective January 1, 1983.*

Delete the title and insert:

“A bill for an act relating to courts; providing for certain reorganization of the court system in the state; providing that the second and fourth judicial district courts shall also be probate courts; changing the jurisdiction of county courts, county municipal courts, and conciliation courts in Hennepin and Ramsey Counties; changing the jurisdiction of county conciliation courts; 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; 487.03, by adding a subdivision; 487.15; 487.16; 487.18; 487.30, Subdivision 1; 488A.01, Subdivisions 4, 6, and 8; 488A.12, Subdivision 3; 488A.14, Subdivision 6; 488A.18, Subdivisions 4, 7, 9, and 13; 488A.29, Subdivision 3; 488A.31, Subdivision 6; 491.03, Subdivision 4; 491.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 484 and 487.”

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Tad Jude, Michael R. Sieben, Fred C. Norton, Mary M. Forsythe, Charles C. Halberg

Senate Conferees: (Signed) Robert J. Tennessen, Jack Davies, Gerry Sikorski, Randolph W. Peterson, Darrel L. Peterson

Mr. Tennessen moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1139 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. 1139 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	Lantry	Peterson, C. C.	Stern
Belanger	Engler	Lessard	Peterson, D. L.	Stokowski
Benson	Frank	Lindgren	Peterson, R. W.	Stumpf
Berg	Frederick	Luther	Petty	Taylor
Bernhagen	Frederickson	Menning	Ramstad	Tennessen
Bertram	Hanson	Merriam	Renneke	Ulland
Brataas	Johnson	Moe, D. M.	Rued	Vega
Chmielewski	Kamrath	Moe, R. D.	Schmitz	Waldorf
Dahl	Knutson	Nelson	Setzepfandt	Willet
Davies	Kroening	Olhoft	Sikorski	
Davis	Kronebusch	Pehler	Solon	
Dicklich	Langseth	Penny	Spær	

So the bill, as amended by the Conference Committee, was repassed and its

title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1964: A bill for an act relating to state government; ratifying state employee and University of Minnesota labor agreements and compensation plans; amending Minnesota Statutes 1980, Section 299D.03, Subdivision 2; repealing Minnesota Statutes 1980, Sections 299C.041; and 299D.03, Subdivision 3.

Senate File No. 1964 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 1, 1982

Mr. Moe, R.D. moved that S.F. No. 1964 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. 378: A bill for an act relating to marriage dissolution; clarifying factors to consider in awarding maintenance; amending Minnesota Statutes 1980, Section 518.552.

Senate File No. 378 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 1, 1982

Mr. Moe, R.D. moved that S.F. No. 378 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. 1336, 1455, 1622, 1831, 1576 and 1555.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 1, 1982

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1336: A bill for an act relating to retirement; highway patrol benefits and refunds; providing annual benefit increases to pre-1973 retirees

and surviving spouses; appropriating funds; amending Minnesota Statutes 1980, Section 352B.11, Subdivision 1; and Minnesota Statutes 1981 Supplement, Sections 352B.02, Subdivision 1; 352B.08, Subdivision 2; and 352B.11, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 352B.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1052, now on General Orders.

H.F. No. 1455: A bill for an act relating to real estate brokers and salespersons; providing for the automatic transfer of a salesperson's license under certain circumstances; amending Minnesota Statutes 1980, Section 82.20, Subdivision 9.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1411.

H.F. No. 1622: A bill for an act relating to state lands; providing for the transfer of ownership to meet donors' intent.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1535, now on General Orders.

H.F. No. 1831: A bill for an act relating to human rights; including sexual harassment as a form of unfair discriminatory practices for certain purposes; amending Minnesota Statutes 1980, Section 363.01, Subdivision 10, and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1834.

H.F. No. 1576: A bill for an act relating to commerce; regulated loans; applying the statutory provisions relating to conventional loan defaults to regulated loans; clarifying the method for the computation of interest; allowing the combination of loans of different maturities and interest rates; prohibiting attorney's fees except in connection with mortgage foreclosures; placing certain restrictions on the procurement of insurance in connection with a loan; providing miscellaneous technical and clarifying amendments; and eliminating a duplicative provision; amending Minnesota Statutes 1980, Section 53.04, Subdivision 5; and Minnesota Statutes 1981 Supplement, Sections 53.01; 53.04, Subdivision 3a; 56.12; 56.131, Subdivisions 1, 3, and 5; 56.155; 334.02; and 334.03; proposing new law coded in Minnesota Statutes, Chapter 56.

Referred to the Committee on Commerce.

H.F. No. 1555: A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; governing the recognition of school district property tax revenues and the computation of levies; granting certain powers and duties to school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; repealing certain administrative rules; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 121.11, Subdivision 12; 121.908, Subdivision 3; 121.912, Subdivisions 2 and 3; 122.90, Subdivision 1; 123.37, Subdivision 1b; 123.741, Subdivision 1; 123.78, Subdivision 1; 124.19, Subdivision 1, and by adding a subdivision; 124.213, Subdivision 2; 124.32,

Subdivisions 7 and 10; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivision 1a, as added; 275.125, Subdivisions 2a, 2d, 2e, 5, as amended, 6b, 6c, 7a, 7c, 9, 19, 20, and by adding subdivisions; 275.48; 298.28, Subdivision 1; 475.61, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivisions 5a and 6; 121.904, Subdivisions 4 and 7; 122.531, Subdivision 6; 122.542, Subdivisions 3 and 4; 123.35, by adding a subdivision; 123.702, Subdivisions 1 and 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.2121, Subdivisions 2, 4, and 5, as amended; 124.2122, Subdivisions 1, and 2, as amended; 124.2123, Subdivisions 1, 3, and by adding a subdivision; 124.2124, Subdivisions 1, as amended, and 3; 124.2125, Subdivision 1, as amended; 124.2126, Subdivision 3; 124.2128, Subdivisions 1 and 5; 124.2129, Subdivision 3, and by adding a subdivision; 124.213, Subdivision 2; 124.223; 124.225, as amended; 124.245, Subdivisions 1 and 1a; 124.251; 124.271, Subdivision 2a; 124.32, Subdivisions 1, 1a, and 5; 124.38, Subdivision 7; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 125.611, Subdivision 5; 136A.81, Subdivision 1; 275.125, Subdivisions 8 and 11b; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Article VII, Section 29, as amended; Third Special Session Chapter 2, Article II, Sections 1, 2, 15, and 20; Article IV, Sections 3, Subdivisions 2 and 3; 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivisions 4a and 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14; 128.05; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8.

Referred to the Committee on Taxes and Tax Laws.

## REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1628: A bill for an act relating to retirement; validating a certain post retirement adjustment granted by the Virginia firefighters relief association.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 2 and insert:

“Sec. 2. [EVELETH POLICE AND FIREFIGHTERS; BENEFIT INCREASE.]

*Notwithstanding any general or special law to the contrary, in addition to any other benefits payable, retirement benefits payable to retired police officers and firefighters and the surviving spouses thereof by the Eveleth police and fire trust fund may be increased by \$35 per month. Increases may be made retroactive to January 1, 1982.*

Sec. 3. [VIRGINIA POLICE RELIEF ASSOCIATION; DEFINITIONS.]

*Subdivision 1. [TERMS DEFINED.] Notwithstanding Minnesota Statutes,*



Sections 423.37 to 423.392, the following definitions apply to the Virginia police relief association.

Subd. 2. [ADMINISTRATOR.] "Administrator" means the person who is elected by the participants to manage the affairs of the special fund, who serves as an ex officio trustee of the special fund, and who performs the duties of the secretary and the treasurer for the purposes of Minnesota Statutes, Sections 423.37 to 423.392.

Subd. 3. [BOARD OF DIRECTORS.] "Board of directors" means the members elected to manage the property, affairs and business of the general fund of the association.

Subd. 4. [BOARD OF TRUSTEES.] "Board of trustees" means the participants elected by participants of the association to manage the property, affairs and business of the special fund of the association.

Subd. 5. [CHILD OR CHILDREN.] "Child or children" means the issue of a member born of lawful wedlock or legally adopted by the member during the member's lifetime.

Subd. 6. [INTEGRATION OF BENEFITS.] "Integration of benefits" means the reduction or offset to the amount of disability pension paid, following the exhaustion of sick leave, by benefits received under the workers' compensation law or received under any disability program provided by the city of Virginia.

Subd. 7. [MEMBER.] "Member" means any person employed as a police officer by the city of Virginia.

Subd. 8. [PARTICIPANT.] "Participant" means a member who was employed on or before June 15, 1980, and who does not contribute to the public employees police and fire fund.

Subd. 9. [PREVAILING PAY.] "Prevailing pay" means the monthly basic salary and the maximum holiday pay, multiplied by the maximum percentage of longevity. Monthly basic salary, maximum holiday pay, and the percentage of longevity are determined in accordance with the unit employment contract of the police department in effect from time to time.

Subd. 10. [SURVIVING SPOUSE.] "Surviving spouse" means the legal spouse of a member at any time prior to termination as a police officer due to retirement or disability, and who was the legal spouse of the member at the time of the member's death.

#### Sec. 4. [GOVERNANCE OF SEPARATE GENERAL AND SPECIAL FUNDS OF VIRGINIA POLICE RELIEF ASSOCIATION.]

The members of the Virginia police relief association are authorized to maintain a separate general fund to be governed by a board of directors for the benefit of all members and a separate special fund to be governed by a board of trustees and administered by an administrator for the benefit of participants and their survivors.

#### Sec. 5. [VIRGINIA POLICE; BENEFIT CHANGES FOR PARTICIPANTS.]

If the bylaws so authorize, the following changes shall be effective:

(a) *The service pension payable to persons who retired from the police department on or before January 12, 1966, shall be supplemented by \$50 per month.*

(b) *For any participant who terminated employment after 20 or more years of service, the amount of the monthly service pension payable after the participant has attained the age of at least 50 years shall be equal to one-half of the prevailing pay of a police officer of the rank and position held by the participant for a period of at least six months prior to termination of service, or to the rank and position most analogous thereto, payable by the police department in each month during which the retired participant receives a service pension.*

(c) *The amount of a monthly disability pension shall be equal to one-half of the prevailing pay of a police officer of the rank and position held by the participant for a period of at least six months prior to his or her disability or the rank and position most analogous thereto, payable by the police department in each month during the period of the participant's disability, subject to any integration of benefits.*

(d) *The benefit paid to the surviving spouse of a participant who died on or before January 11, 1967, shall be increased by \$25 per month, until the surviving spouse's death or remarriage.*

(e) *The benefit paid to a surviving child shall be increased to \$50 per child per month, subject to any limitation placed on the total amount of survivor's benefits.*

**Sec. 6. [VIRGINIA POLICE; VALIDATION OF ADOPTION OF PENSION PROVISIONS; VALIDATION OF PAST PAYMENTS.]**

*Notwithstanding the failure of the Virginia police relief association to comply fully with the requirements of Laws 1947, Chapter 625, the election of the Virginia police relief association to come under the provisions of Minnesota Statutes, Sections 423.37 to 423.392, is hereby validated. Any payments made pursuant to the provisions of sections 423.37 to 423.392 are hereby validated.*

**Sec. 7. [CLARIFICATION OF INTERPRETATION ON AUTHORITY TO APPROVE ALTERNATIVE BENEFIT INCREASE.]**

*No provision of Minnesota Statutes, Section 645.021, or Laws 1980, Chapter 607, Article XV, Sections 7 or 25, shall be construed as authorizing any municipality which approved an alternative benefit increase for a local police or salaried firefighters relief association located in the municipality and which complied with Minnesota Statutes, Section 645.021, Subdivision 3, from amending, modifying or revoking that approval or substituting a different alternative benefit increase for the alternative benefit increase which was previously approved.*

**Sec. 8. [VIRGINIA POLICE; REPEALER.]**

*Laws 1935, Chapters 92 and 259; Laws 1937, Chapter 197; and Laws 1949, Chapter 235, are repealed.*

**Sec. 9. [EFFECTIVE DATE.]**

*The provisions of sections 1, 6, 7 and 8 are effective the day following final enactment. The provisions of section 2 are effective upon approval by the city*

*council of Eveleth and upon compliance with Minnesota Statutes, Section 645.021. The provisions of sections 3, 4 and 5 are effective upon approval by the city council of Virginia and upon compliance with Minnesota Statutes, Section 645.021."*

Amend the title as follows:

Page 1, line 4, before the period, insert " ; authorizing increases in benefits payable by the Eveleth police and fire trust fund; Virginia police relief association; defining certain terms; providing for the governance of separate and distinct general and special funds; providing benefit improvements for certain participants and benefit recipients; validating adoption of third class city police law; validating past payments; clarifying the authority to approve alternative benefit increases; repealing Laws 1935; Chapters 92 and 259; Laws 1937, Chapter 197; and Laws 1949, Chapter. 235"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1723: A bill for an act relating to retirement; state retirement system; imposing liability for certain omitted employee contributions on the employing department; amending Minnesota Statutes 1980, Section 352.04, Subdivision 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, strike "such" and insert "*those*"

Page 1, line 14, strike ", and" and insert a period

Page 1, strike lines 15 and 16

Page 1, line 17, strike everything before "(b)"

Page 1, line 20, delete everything after "section" and insert "*the department, and not the employee, shall pay the employee and employer contributions and an amount equivalent to six percent of the total amount due in lieu of interest.*"

Page 1, delete line 21

Page 1, line 22, delete everything before "(c)" and after "If" insert "*any department fails to take deductions past due for a period of 60 days or less and*"

Page 1, line 24, strike "his" and insert "the" and after "salary" insert "*of the employee,*"

Page 1, line 25, strike "plus an" and insert a period

Page 2, strike line 1

Page 2, line 2, strike "employer contributions" and insert "*If any department fails to take deductions past due for a period in excess of 60 days and the employee is no longer in state service, the omitted contributions shall be recovered pursuant to clause (b)*"

Page 2, line 3, strike "not taken" and insert "*past due for a period of 60 days or less leaves state service prior to the payment of the omitted deductions and subsequently*"

Page 2, line 4, after "service" insert a comma

Page 2, line 6, strike "he" and insert "*the employee*"

Page 2, after line 7, insert:

"Sec. 2. [352C.0911] [BENEFIT ADJUSTMENTS.]

*Retirement allowances payable to retired constitutional officers pursuant to section 352C.031 and surviving spouse benefits payable pursuant to section 352C.04, shall be adjusted in the same manner, at the same times and in the same amounts as are benefits payable from the Minnesota post retirement investment fund to retirees of a participating public pension fund."*

Page 2, line 10, after "deductions" insert "*of employees of the board of regents of the university of Minnesota*"

Page 2, line 11, delete "*past due*" and delete "a" and insert "*the*" and delete "in"

Page 2, line 12, delete "*excess of 60 days and*" and insert "*from June 1, 1977, to September 30, 1981,*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "retirement;" insert "Minnesota"

Page 1, line 4, delete "department" and insert "unit" and after the semicolon, insert "elective state officers retirement plan; providing benefit adjustments for retired constitutional officers and surviving spouses;"

Page 1, line 5, after "8" insert "; proposing new law coded in Minnesota Statutes, Chapter 352C"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 881: A bill for an act relating to retirement; authorizing special coverage for members of the Minnesota state retirement system prohibited from performing specified duties after age 60; proposing new law coded in Minnesota Statutes, Chapter 352.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1980, Section 352.85, Subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY; RETIREMENT ANNUITY.] *An employee of Any person who is employed by the department of military affairs who is covered by the general employee retirement plan of the Minnesota state re-*

retirement system as provided in section 352.01, subdivision 23, who is ordered to active duty pursuant to section 190.08, subdivision 3, who elects this special retirement coverage pursuant to subdivision 4, and who is required to retire from federal military status at the age of 60 years by applicable federal laws or regulations and who terminates employment as a state employee upon attaining that age shall be entitled, upon application, to a retirement annuity commencing at the age of 60 computed in accordance with section 352.115, subdivisions 2 and 3, without any reduction for early retirement pursuant to section 352.116, subdivision 1.

Sec. 2. Minnesota Statutes 1980, Section 352.85, Subdivision 3, is amended to read:

Subd. 3. [ADDITIONAL CONTRIBUTIONS.] The special retirement annuities and disability benefits authorized by this section shall be financed by an employee contribution from the covered department of military affairs employee of one 1.6 percent and an employer contribution from the department of military affairs of one 1.6 percent, which contributions shall be in addition to the contributions required by section 352.04, subdivisions 2 and 3, and shall be made in the manner provided for in section 352.04, subdivisions 4, 5 and 6."

Page 1, line 11, delete "An" and insert "Any person who is employed by"

Page 1, line 12, delete "employee of" and delete "job" and insert "civil service employment"

Page 1, line 13, delete "a member" and insert "covered by"

Page 1, line 14, delete "of" and after "the" insert "general employee retirement plan of the" and delete "and" and insert "pursuant to section 352.01, subdivision 23, who elects this special retirement coverage pursuant to subdivision 3,"

Page 1, line 15, after "of" insert "aircraft"

Page 1, line 16, after "by" insert "a"

Page 1, line 17, after "administration" insert "as adopted by the commissioner of transportation and who terminates employment as a state employee upon attaining that age"

Page 1, line 17, after "entitled" insert a comma

Page 1, line 18, delete "commencing at the age of 60"

Page 1, line 19, after "without" insert "any"

Page 1, line 20, after "reduction" insert "for early retirement"

Page 1, line 22, delete "annuities" and insert "annuity"

Page 1, line 23, after "contribution" insert "from the covered aircraft pilot or chief pilot" and delete "one" and insert "1.6"

Page 1, line 24, after "contribution" insert "from the department of transportation" and delete "one" and insert "1.6"

Page 2, line 5, delete "1981" and insert "1982,"

Page 2, line 6, delete "1981" and insert "1982," and delete "30" and insert "90"

Page 2, line 10, after "covered" insert "by this special plan"

Page 2, after line 11, insert:

*"Subd. 4. [ACTUARIAL VALUATION EXHIBIT.] In each valuation of the Minnesota state retirement system prepared pursuant to section 356.215, an exhibit pertaining to this special retirement program shall be included which shall contain for the special program those actuarial valuation content items specified in section 356.215, subdivision 4, which the executive director deems are necessary to adequately disclose the actuarial condition of the special program."*

Page 2, line 13, delete "This act" and insert "Section 3" and delete "July 1, 1981" and insert "June 30, 1982. Section 1 is effective retroactively to July 1, 1980. Section 2 is effective on the first day of the full pay period next following the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "clarifying various aspects of the special retirement program for certain employees of the department of military affairs; amending Minnesota Statutes 1980, Section 352.85, Subdivisions 1 and 3;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1709: A bill for an act relating to retirement; teachers retirement association; extending the time limit for the purchase of service credit for military service leaves of absence for certain veterans; amending Minnesota Statutes 1981 Supplement, Section 354.53, Subdivisions 1 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [AUTHORIZATION TO PURCHASE MILITARY SERVICE CREDIT.]

*Notwithstanding any law to the contrary, any member of the teachers retirement association who was given a leave of absence to enter military service and who returned to teaching service upon discharge from military service as provided in section 192.262, and who is a veteran as defined in section 197.971, subdivision 10, and who became eligible for the Vietnam Expeditionary Medal or the Vietnam Service Medal as the result of service during the period between July 1, 1958, and July 27, 1973, or served on active duty in the armed forces as defined in section 197.971, subdivision 3, during the period between August 5, 1964, and January 27, 1973, shall be entitled to obtain credit for the period of military service but service credit shall not be given for any voluntary extension of military service at the instance of the member beyond the initial period of enlistment, induction or call to active duty.*

Sec. 2. [PAYMENT.]

*Subdivision 1. [CALCULATION OF PRESENT VALUE.] For the persons entitled to purchase prior service credit, there shall be paid to the applicable retirement fund or association an amount equal to the present value, on the date of payment, of the amount of the additional service pension or retirement annuity which would be obtained by virtue of the purchase of the additional service credit, using the interest rate specified in Minnesota Statutes, Section 356.215, Subdivision 4, Clause (4), and the applicable mortality table adopted for the appropriate retirement fund or association and assuming continuous service until, and retirement at, the normal retirement age with the additional service credit purchased, for the appropriate retirement fund or association, or the age at the date of payment or of the agreement to pay, whichever is older, and a future salary history which includes annual salary increases at the salary increase rate specified in Minnesota Statutes, Section 356.215, Subdivision 4, Clause (4). The person requesting the purchase of prior service must establish in the records of the retirement fund or association proof of the service for which the purchase of prior service is requested. The manner of the proof of service shall be in accordance with procedures prescribed by the board of trustees of the fund or association or by the executive director.*

*Subd. 2. [PAYMENT OF PRESENT VALUE; CREDITING OF SERVICE.] Payment shall be made in one lump sum, unless the executive director of the appropriate retirement fund or association agrees to accept payment in installments over a period of not to exceed three years from the date of the agreement, with interest at a rate deemed appropriate by the executive director. The period of allowable service shall be credited to the account of the person only after receipt of full payment by the executive director.*

*Subd. 3. [OPTIONAL EMPLOYER PARTIAL PAYMENT.] Payment shall be made by the person entitled to purchase prior service, except that the current or former employer of the person may, at its discretion, pay all or any portion of the payment amount which exceeds an amount equal to the employee contribution rates in effect for the retirement fund during the period or periods of prior service applied to the actual salary rates in effect during the period or periods of prior service, plus interest at the rate of six percent per annum compounded annually from the date on which the contributions would otherwise have been made to the date on which payment is made. If more than one person who is a current or former employee of an employing unit is eligible to purchase prior service, the governing body of the employing unit shall establish and implement a uniform policy on the payment by it of a portion of the purchase of prior service amount.*

*Subd. 4. [TIME LIMITATION ON AUTHORITY TO MAKE PAYMENT.] The authority to make a lump sum payment or the agreement to make payments in installments over a period of not to exceed three years shall expire on July 1, 1987."*

Amend the title as follows:

Page 1, line 3, delete "extending the time limit for" and insert "authorizing"

Page 1, line 5, delete " ; amending Minnesota "

Page 1, delete line 6

Page 1, line 7, delete "1 and 3"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1965: A bill for an act relating to the environment; amending the waste management act; authorizing the commissioner of administration to acquire certain development rights; defining terms for purposes of the resource recovery program; prohibiting the waste management board from certifying the use of facilities for disposal of radioactive waste; amending Minnesota Statutes 1980, Section 115A.15, Subdivisions 2, 6, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 115A.06, Subdivision 4; and 115A.24, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 27, delete "condemnation" and insert "lease"

Page 1, line 28, delete "during" and insert "for all or part of"

Page 3, after line 4, insert:

"Sec. 2. Minnesota Statutes 1981 Supplement, Section 115A.06, Subdivision 13, is amended to read:

Subd. 13. [PRIVATE AND NON-PUBLIC DATA.] Any data held by the board which consists of trade secret information as defined by section 15.1673, subdivision 1, clause (b), or sales information, or any other information which, if public, would tend to adversely affect the competitive position of the subject of the data, shall be classified as private or non-public data as defined in section 15.162, subdivisions 5a and 5c if the subject of the data has certified that the data qualifies as non-public or private data under this subdivision and the chairman of the waste management board approves the classification in writing. When data is classified private or non-public pursuant to this subdivision the board may:

(a) Use the data to compile and publish analyses or summaries and to carry out its statutory responsibilities in a manner which does not identify the subject of the data; or

(b) Disclose the data when it is obligated to disclose it to comply with federal law or regulation but only to the extent required by the federal law or regulation.

The subject of data classified as private or non-public pursuant to this subdivision may authorize the disclosure of some or all of that data by the board.

Sec. 3. [115A.071] [DUTIES OF THE BOARD; SOLID WASTE MANAGEMENT; DESIGNATIONS OF RESOURCE RECOVERY FACILITIES.]

Subdivision 1. [APPROVAL OF DESIGNATION PROPOSALS.] *The board shall review and approve or disapprove proposals to designate resource recovery facilities under sections 115A.70 and 400.162. The board may attach*



conditions to its approval. Before approving a designation the board shall determine that the proposal conforms to the requirements of section 115A.70 or section 400.162, that the designation will further the state policies and purposes expressed in section 115A.02, and that the designation is based upon a plan approved pursuant to subdivision 2 and an adequate evaluation of the standards expressed in section 115A.46, subdivision 3.

*Subd. 2. [PLAN REQUIRED.] Before reviewing a proposed designation, the board shall require the completion or, if necessary, revision of a comprehensive solid waste management plan which in the board's judgment conforms to the requirements of section 115A.46.*

*Subd. 3. [BOARD SUPERVISION.] The board shall require regular reports on any designation approved pursuant to this section and section 473.827, shall periodically evaluate whether the designation as implemented has accomplished its purposes and whether the designation is in the public interest and in furtherance of the state policies and purposes expressed in section 115A.02, and shall report periodically to the legislature on its conclusions and recommendations.*

Sec. 4. Minnesota Statutes 1980, Section 115A.08, is amended by adding a subdivision to read:

*Subd. 5a. [REPORT ON ASSURANCE OF SECURITY OF HAZARDOUS WASTE FACILITIES.] With the report required by subdivision 5, the board through its chairperson shall report and make recommendations to the legislative commission on methods of assuring the security of commercial hazardous waste facilities. The report and recommendations shall be based on the need to assure: effective monitoring and enforcement during operation; effective containment, control, and corrective action in any emergency situation; financial responsibility of the owner and operator throughout the operating life of the facility, using performance bonds, insurance, escrow accounts, or other means; proper closure; and perpetual post-closure monitoring and maintenance. The report shall include recommendations on the source of funds, including operator contributions, fee surcharges, taxes, and other sources; the amount of funds; effective protection and guarantee of funds; administration; regulatory and permit requirements; the role of local authorities; and other similar matters.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 115A.11, Subdivision 1, is amended to read:

*Subdivision 1. [CONTENTS.] By December 15, 1982, the board shall adopt a hazardous waste management plan. In developing and implementing the plan, the highest priority of the board shall be placed upon alternatives to land disposal of hazardous wastes including: technologies to modify industrial processes or introduce new processes which will reduce or eliminate hazardous waste generation; recycling, re-use, and recovery methods to reduce or eliminate hazardous waste disposal; and conversion and treatment technologies to reduce the degree of environmental risk from hazardous waste. The board shall also consider technologies for retrievable storage of hazardous wastes for later recycling, re-use, recovery, conversion, or treatment.*

The plan shall include at least the following elements:

- (a) an estimate of the types and volumes of hazardous waste which will be

generated in the state through the year 2000;

(b) specific and quantifiable objectives for reducing to the greatest feasible and prudent extent the need for and practice of disposal, through waste reduction, pretreatment, processing, and resource recovery;

(c) a description of the minimum disposal capacity and capability needed to be developed within the state for use through the year 2000, based on the achievement of the objectives under clause (b).

*The plan shall provide for the orderly development of hazardous waste management sites and facilities to protect the health and safety of rural and urban communities. In preparing the plan the board shall consider its impact upon agriculture and natural resources.*

The plan shall require the establishment *in the state* of at least one commercial disposal facility ~~in the state~~ and encourage the establishment of at least one facility for the recycling, re-use, recovery, conversion, treatment, or storage of hazardous waste. The board may make the implementation of elements of the plan contingent on actions of the legislature which have been recommended in the reports submitted pursuant to section 115A.08."

Page 3, line 10, delete everything after "which"

Page 3, delete line 11 and insert "are not reusable but which contain recoverable resources."

Page 3, line 35, delete the new language

Page 3, line 36, delete the new language and reinstate the stricken language

Page 4, line 1, reinstate the stricken language and before "may" insert "and"

Page 4, line 18, delete the new language

Page 4, delete line 19

Page 4, line 20, delete "administration of" and insert "and all reimbursements to the commissioner of his expenses incurred in developing and administering"

Page 4, after line 23, insert:

"Sec. 9. Minnesota Statutes 1981 Supplement, Section 115A.21, Subdivision 3, is amended to read:

Subd. 3. [MORATORIUM.] In order to permit the comparative evaluation of sites and the participation of affected localities in decisions about the use of sites, a moratorium is hereby imposed as provided in this subdivision on all development within each proposed or candidate site identified pursuant to this section and in a buffer area identified by the board surrounding and at least equal in area to the site. The moratorium on candidate sites and buffer areas shall extend until the board chooses a final candidate site or final candidate sites pursuant to this article. The moratorium on the final sites and buffer areas shall extend until six months following final action of the board pursuant to sections 115A.18 to 115A.30. No development shall be allowed to occur within a proposed site or buffer area during the period of the moratorium without the approval of the board. No land use control of any political sub-

division shall permit development which has not been approved by the board, nor shall any political subdivision sanction or approve any subdivision, permit, license, or other authorization which would allow development to occur which has not been approved by the board. The board shall not approve actions which would jeopardize the availability of a candidate site for use as a hazardous waste facility. The board may establish guidelines for reviewing requests for approval under this subdivision. The guidelines shall not be subject to the rule-making provisions of chapter 15. Requests for approval shall be submitted in writing to the chairperson of the board and shall be deemed to be approved by the board unless the chairperson otherwise notifies the submitter in writing within 15 days.

Sec. 10. Minnesota Statutes 1981 Supplement, Section 115A.24, Subdivision 1, is amended to read:

Subdivision 1. [CERTIFICATE.] Except as provided in subdivision 2, by December 15, 1982, on the basis of and consistent with its hazardous waste management plan adopted under section 115A.11, the board shall issue a certificate or certificates of need for disposal facilities for hazardous wastes in the state. The certificate or certificates shall indicate the types and volumes of waste for which disposal facilities are and will be needed through the year 2000 and the number, types, sizes, general design and operating specifications, and function or use of the disposal facilities needed in the state. The board shall certify need only to the extent that the board has determined that there are no feasible and prudent alternatives including waste reduction, separation, pre-treatment, processing, and resource recovery which would minimize adverse impact upon natural resources, provided that the board shall require the establishment of at least one commercial disposal facility in the state. Economic considerations alone shall not justify certification nor the rejection of alternatives. Alternatives that are speculative and conjectural shall not be deemed to be feasible and prudent. *The board shall consider all technologies being developed in other countries as well as in the United States when it considers the alternatives to hazardous waste disposal.* The certificate or certificates shall not be subject to the provisions of chapter 15 but shall be the final determination required on the matters decided by the certificate or certificates and shall have the force and effect of law. The certificate or certificates shall not be amended for five years. The board and the permitting agencies, in reviewing and selecting sites, completing environmental impact statements, and issuing approvals and permits for waste disposal facilities described in the certificate or certificates of need, shall not reconsider matters determined in the certification. The board and the permitting agencies shall be required to make a final decision approving the establishment of facilities consistent with the certification. The board and the permitting agencies shall be required to make a final decision approving the establishment of at least one commercial disposal facility for hazardous waste in the state."

Page 4, after line 29, insert:

"Sec. 12. Minnesota Statutes 1980, Section 115A.25, is amended by adding a subdivision to read:

*Subd. 4. [COSTS OF ENVIRONMENTAL REVIEW.] The board shall reimburse the agency from the waste management fund for the costs which the agency incurs in carrying out the duties imposed under this section.*

Sec. 13. Minnesota Statutes 1980, Section 115A.42, is amended to read:

115A.42 [ESTABLISHMENT AND ADMINISTRATION.]

There is established a planning assistance program to provide technical and financial assistance to political subdivisions of the state for the ~~purpose~~ *purposes* of encouraging and improving regional and local solid waste management planning activities and efforts *and of furthering the state policies and purposes expressed in section 115A.02.* The program shall be administered by the agency pursuant to rules promulgated under chapter 15, except in the metropolitan area where the program shall be administered by the metropolitan council pursuant to chapter 473. The agency and the metropolitan council shall ensure conformance with federal requirements and programs established pursuant to the Resource Conservation and Recovery Act of 1976 and amendments thereto.

Sec. 14. Minnesota Statutes 1980, Section 115A.46, is amended to read:

115A.46 [CONTENTS REQUIREMENTS.]

*Subdivision 1. [GENERAL.] Plans shall address the state policies and purposes expressed in section 115A.02. Plans for the location, establishment, operation, maintenance, and post-closure use of facilities and facility sites, for ordinances, and for licensing, permit, and enforcement activities shall be consistent with the rules adopted by the agency pursuant to chapter 116. Plans shall address the resolution of conflicting, duplicative, or overlapping local management efforts. Plans shall address the establishment of joint powers management programs or waste management districts where appropriate. Plans proposing a designation of resource recovery facilities pursuant to sections 115A.70 and 400.162 shall be submitted to the waste management board for review and approval or disapproval under section 3 of this act. Plans shall address other matters as the rules of the agency may require consistent with the purposes of sections 115A.42 to 115A.46. Political subdivisions preparing plans under sections 115A.42 to 115A.46 are encouraged to shall consult with persons presently providing solid waste collection, processing, and disposal services in the preparation of the plan. Plans prepared by local units of government in the metropolitan area shall conform to the requirements of chapter 473. Plans prepared by political subdivisions outside the metropolitan area with assistance from the program shall conform to the requirements of this section.*

*Subd. 2. [CONTENTS.] The plans shall describe existing collection, processing, and disposal systems, including schedules of rates and charges, financing methods, environmental acceptability, and opportunities for improvements in the systems. The plans shall include an estimate of the land disposal capacity in acre-feet which will be needed through the year 2000, on the basis of current and projected waste generation practices. The plans shall contain an assessment of opportunities to reduce the need for land disposal through waste reduction and resource recovery, the alternative degrees of reduction achievable, and a comparison of the costs of alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators and on persons currently providing solid waste collection, processing, and disposal services. The plans shall, to the extent practicable and consistent with the achievement of other public policies and purposes, encourage ownership and operation of solid waste facilities by private industry. For*

*solid waste facilities owned or operated by public agencies or supported primarily by public funds or obligations issued by a public agency, the plans shall include criteria and standards to protect comparable private and public facilities already existing in the area from displacement unless the displacement is required in order to achieve the waste management objectives identified in the plan. The plans shall establish a siting procedure and development program to assure the orderly location, development, and financing of new or expanded solid waste facilities and services sufficient for a prospective ten-year period, including estimated costs and implementation schedules, proposed procedures for operation and maintenance, estimated annual costs and gross revenues, and proposals for the use of facilities after they are no longer needed or usable. The plans shall describe existing and proposed county and municipal ordinances and license and permit requirements relating to solid waste management and shall describe existing and proposed regulation and enforcement procedures. Plans for location, establishment, operation, maintenance, and post-closure use of facilities and facility sites, for ordinances, and for licensing, permit, and enforcement activities shall be consistent with the rules adopted by the agency pursuant to chapter 116. The plans shall address the resolution of conflicting, duplicative, or overlapping local management efforts. The plans shall address the establishment of joint powers management programs or waste management districts where appropriate. The plans shall address other matters as the rules of the agency may require consistent with the purposes of sections 115A.42 to 115A.46.*

*Subd. 3. [PLANS FOR DESIGNATION OF RESOURCE RECOVERY FACILITIES.] A plan proposing designation of resource recovery facilities pursuant to sections 115A.70 and 400.162 shall evaluate the benefits of the proposal, including the public purposes achieved by the conservation and recovery of resources, the furtherance of local and any district or regional waste management plans and policies, and the furtherance of the state policies and purposes expressed in section 115A.02, and also the costs of the proposal, including not only the direct capital and operating costs of the facility but also any indirect costs and adverse long-term effects of the designation. In particular the plan shall evaluate:*

*(a) whether the required use will result in the recovery of resources or energy from materials which would otherwise be wasted;*

*(b) whether the required use will lessen the demand for and use of land disposal;*

*(c) whether the required use is necessary for the financial support of the facility;*

*(d) whether less restrictive methods for ensuring an adequate solid waste supply are available;*

*(e) all other feasible and prudent waste processing alternatives for accomplishing the purposes of the proposed designation, the direct and indirect costs of the alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators.*

Sec. 15. Minnesota Statutes 1980, Section 115A.57, Subdivision 1, is amended to read:

Subdivision 1. [CREATION; RECEIPTS.] The commissioner of finance

shall maintain a Minnesota state waste management fund. The fund shall receive the proceeds of state bonds and other money appropriated to the fund and disburse money for the *environmental analysis and acquisition* of real property and interests in real property for hazardous waste facility sites and surrounding buffer areas, as authorized by section 115A.06, subdivision 4, and money to be granted or loaned to political subdivisions pursuant to the waste processing facility capital assistance program created by section 115A.54. The commissioner of finance and state treasurer shall deposit in the fund as received (a) all proceeds of Minnesota state waste management bonds, except accrued interest and premiums received upon the sale of the bonds; (b) all other money appropriated by law for purposes stated in sections 115A.57 to 115A.59, and (c) all money granted to the state for those purposes by the federal government or any agency thereof. All the receipts are annually appropriated for the purposes of the fund, and shall remain available until expended.

Sec. 16. Minnesota Statutes 1980, Section 115A.59, is amended to read:

115A.59 [BOND AUTHORIZATION AND APPROPRIATION OF PROCEEDS.]

The commissioner of finance is authorized, upon request of the board, to sell Minnesota state waste management bonds in the amount of up to \$8,800,000 for the purpose of the waste processing facility capital assistance program under section 115A.54, and in the amount of up to \$6,200,000 for the purpose of ~~acquiring~~ *environmental analysis and acquisition* of real property and interests in real property for hazardous waste facility sites and buffer areas as authorized by section 115A.06, subdivision 4. The bonds shall be sold in the manner and upon the conditions prescribed in section 115A.58, and in the Minnesota Constitution, Article XI, Sections 4 to 7. The proceeds of the bonds, except as provided in section 115A.58, subdivision 5, are appropriated to the Minnesota state waste management 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 waste management fund equal to the aggregate amount of the loans and grants then approved and not previously disbursed, plus the amount of the loans and grants to be approved in the current and the following fiscal year, as estimated by the board.

Sec. 17. Minnesota Statutes 1980, Section 115A.62, is amended to read:

115A.62 [PURPOSE; PUBLIC INTEREST; DECLARATION OF POLICY.]

The legislature finds that the development of integrated and coordinated solid waste management systems is needed to manage properly the solid waste generated in the state ~~and~~, to conserve and protect the natural resources in the state and the health, safety, and welfare of its citizens, *and to further the state policies and purposes expressed in section 115A.02*; that this need cannot always be met solely by the activities of individual political subdivisions or by agreements among subdivisions; and that therefore it is necessary to establish a procedure for the creation of solid waste management districts having the powers and performing the functions prescribed in sections 115A.62 to 115A.72.

Sec. 18. Minnesota Statutes 1980, Section 115A.69, Subdivision 10, is amended to read:

Subd. 10. [DISPOSITION OF PRODUCTS AND ENERGY.] The district may use, sell, or otherwise dispose of all of the products and energy produced by its facilities. ~~The district may, on a competitive basis, enter into short or long term contracts, make spot sales, solicit bids, enter into direct negotiations, deal with brokers, or use such other methods of disposal as it chooses, provided that the dealings of the district shall be on a competitive basis so as not to create an unfair or unreasonable advantage or restraint of trade on the part of the district. Section 471.345 shall not apply to the sale of products and energy.~~ The district shall give particular consideration to the needs of purchasers in this state and shall actively promote sales to such purchasers so long as this can be done at prices and under conditions that meet constitutional requirements and that are consistent with the district's object of being financially self supporting to the greatest extent possible.

Sec. 19. Minnesota Statutes 1980, Section 115A.70, Subdivision 1, is amended to read:

Subdivision 1. [~~GENERAL PURPOSE.~~] ~~A district may be authorized by the order and articles of incorporation establishing the~~ *In order to accomplish the objectives of a waste management district, to further the state policies and purposes expressed in section 115A.02, and to advance the public purposes served by resource recovery, the legislature finds and declares that it may be necessary to authorize a district to require that all or any portion of the solid waste that is generated within its boundaries or any service area thereof and is deposited within the state be taken for processing to a resource recovery facility or a transfer station serving a facility designated by the district.*

Sec. 20. Minnesota Statutes 1980, Section 115A.70, Subdivision 2, is amended to read:

Subd. 2. [STANDARDS.] ~~In determining whether to designate and require use of resource recovery facilities the district shall consider whether~~

(a) ~~the required use will result in the recovery of resources or energy from materials which would otherwise be wasted;~~

(b) ~~the required use will lessen the demand for and use of land disposal;~~

(c) ~~the required use is necessary for the financial support of the facility;~~

(d) ~~less restrictive methods for ensuring an adequate solid waste supply are available;~~

(e) ~~all other feasible and prudent waste processing alternatives for accomplishing the purposes of the proposed designation have been considered and the costs of the alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators have been compared and evaluated. Any district designation shall be based upon a plan prepared and approved in conformance with sections 3 of this act and 115A.46, shall be authorized in the articles of incorporation of the district, and shall be submitted pursuant to section 3 for review and approval or disapproval by the waste management board.~~

Sec. 21. Minnesota Statutes 1980, Section 115A.70, Subdivision 3, is amended to read:

Subd. 3. [EXEMPTION.] The district shall not designate and require use of

facilities for materials which are *being* separated from solid waste and re-covered for reuse or recycling by the generator, by a private person under contract with the generator or by a licensed solid waste collector. *The district shall not designate and require use of facilities for materials which are being delivered to another resource recovery facility unless the district finds and determines that the required use is consistent with criteria and standards concerning displacement of existing facilities and with the evaluation of resource recovery designation which are required in the solid waste management plan of the district.*

Sec. 22. Minnesota Statutes 1980, Section 116.07, Subdivision 4b, is amended to read:

Subd. 4b. [PERMITS; HAZARDOUS WASTE FACILITIES.] The agency shall provide to the waste management board established in section 115A.04, copies of each preliminary and final permit application for a hazardous waste facility immediately upon its submittal to the agency. The agency shall request recommendations on each permit application from the board and shall consult with the board on the agency's intended disposition of the recommendations. Except as otherwise provided in sections 115A.18 to 115A.30, the agency shall commence any environmental review required under chapter 116D within 120 days of its acceptance of a completed preliminary permit application. The agency shall respond to a preliminary permit application for a hazardous waste facility within 120 days following a decision not to prepare environmental documents or following the acceptance of a negative declaration notice or an environmental impact statement. Except as otherwise provided in sections 115A.18 to 115A.30, within 60 days following the submission of a final permit application for a hazardous waste facility, unless a time extension is agreed to by the applicant, the agency shall issue or deny all permits needed for the construction of the proposed facility. *The agency shall promulgate rules pursuant to chapter 15 for all hazardous waste facilities, except those addressed in subdivision 4c of this section. The rules shall require:*

*(1) contingency plans for all hazardous waste facilities which provide for effective containment and control in any emergency condition;*

*(2) the establishment of a mechanism to assure that money to cover the costs of closure and post-closure monitoring and maintenance of hazardous waste facilities will be available;*

*(3) the maintenance of liability insurance by the owner or operator of hazardous waste facilities during the operating life of the facility.*

Sec. 23. Minnesota Statutes 1980, Section 400.16, is amended to read:

400.16 [SOLID WASTE AND SEWAGE SLUDGE DISPOSAL REGULATIONS.]

The county may by ordinance establish and revise rules, regulations, and standards for solid waste and sewage sludge management and land pollution, relating to (a) the location, sanitary operation, and maintenance of solid waste facilities and sewage sludge disposal facilities by the county and any municipality or other public agency and by private operators; (b) the collection, processing, and disposal of solid waste and sewage sludge; (c) the amount and type of equipment required in relation to the amount and type of material received at any solid waste facility or sewage sludge disposal facility; (d) the



control of salvage operations, water or air or land pollution, and rodents at such facilities; (e) the termination or abandonment of ~~such the~~ facilities or activities; and (f) other matters relating to ~~such the~~ facilities as may be determined necessary for the public health, welfare, and safety. The county may issue permits or licenses for solid waste facilities and may require that ~~such the~~ facilities be registered with an appropriate county office. The county shall adopt the ordinances for mixed municipal solid waste management. The county shall make provision for issuing permits or licenses for mixed municipal solid waste facilities and shall require that ~~such the~~ facilities be registered with an appropriate county office. No permit or license shall be issued for a mixed municipal solid waste facility unless the applicant has demonstrated to the satisfaction of the county board the availability of revenues necessary to operate the facility in accordance with applicable state and local laws, ordinances, and rules. *No permit shall be issued for a solid waste facility used primarily for resource recovery or a transfer station serving such a facility, if the facility or station is owned or operated by a public agency or if the acquisition or betterment of the facility or station is secured by public funds or obligations issued by a public agency, unless the county finds and determines that adequate markets exist for the products recovered and that any displacement of existing resource recovery facilities and transfer stations serving such facilities that may result from the establishment of the new facility is required in order to achieve the waste management objectives of the county.* The county ordinance shall require appropriate procedures for termination or abandonment of any mixed municipal solid waste facilities or services, which shall include provision for long term monitoring for possible land pollution, and for the payment by the owners or operators thereof, or both, of any costs incurred by the county in completing ~~such the~~ procedures. The county may require ~~such the~~ procedures and payments with respect to any facilities or services regulated pursuant to this section. In the event the operators or owners fail to complete ~~such the~~ procedures in accordance with the ordinance, the county may recover the costs of completion in a civil action in any court of competent jurisdiction or, in the discretion of the board, the costs may be certified to the county auditor as a special tax against the land to be collected as other taxes are collected. The ordinance may be enforced by injunction, action to compel performance, or other appropriate action in the district court. Any ordinance enacted under this section shall embody minimum standards and requirements established by rule of the agency.

Sec. 24. Minnesota Statutes 1980, Section 400.162, is amended to read:

400.162 [COUNTY DESIGNATION OF RESOURCE RECOVERY FACILITY.]

~~Except~~ *The authority granted to counties by this section shall not apply within the metropolitan area, the Western Lake Superior Sanitary District established by Laws 1971, Chapter 478, as amended, and nor within any solid waste management district established under sections 115A.62 to 115A.72; any . In order to accomplish the objectives of county waste management, to further the state policies and purposes expressed in section 115A.02, and to advance the public purposes served by resource recovery, the legislature finds and declares that it may be necessary to authorize a county may to require that all or any portion of the solid waste that is generated within the boundaries of the county or any service area thereof and is disposed of in the state be delivered to a resource recovery facility designated by the county board or a transfer station serving such a facility, provided that the . Any county designation is approved shall be based upon a plan prepared and approved in conformance with sections 3 of this act and 115A.46 and shall be submitted pursuant to*

*section 3 for review and approval or disapproval by the waste management board. The board may require the county to complete a comprehensive solid waste management plan conforming to the requirements of section 115A.46. In establishing, continuing, and terminating the designation, the county shall be governed by all standards, exemptions, procedures, and other requirements provided in section 115A.70, subdivisions 2 to 6.*

Sec. 25. Minnesota Statutes 1980, Section 473.149, Subdivision 1, is amended to read:

Subdivision 1. [POLICY PLAN; GENERAL REQUIREMENTS.] The metropolitan council shall prepare and by resolution adopt as part of its development guide a long range policy plan for solid waste management in the metropolitan area. When adopted, the plan shall be followed in the metropolitan area. *The plan shall address the state policies and purposes expressed in section 115A.02.* The plan shall substantially conform to all policy statements, purposes, goals, standards, maps and plans in development guide sections and plans adopted by the council, provided that no land shall be thereby excluded from consideration as a solid waste facility site except land determined by the agency to be intrinsically unsuitable for such use. The plan shall include goals and policies for solid waste management in the metropolitan area and, to the extent appropriate, statements and information similar to that required under section 473.146, subdivision 1. The plan shall include criteria and standards for solid waste facilities and solid waste facility sites respecting the following matters: general location; capacity; operation; processing techniques; environmental impact; effect on existing, planned, or proposed collection services and waste facilities; and economic viability. *The plan shall, to the extent practicable and consistent with the achievement of other public policies and purposes, encourage ownership and operation of solid waste facilities by private industry.* For solid waste facilities owned or operated by public agencies or supported primarily by public funds or obligations issued by a public agency, the plan shall include additional criteria and standards *to ensure that the facilities are operated on a competitive basis so as not to create an unfair or unreasonable advantage or restraint of trade in relation to protect comparable private and public facilities already existing in the area from displacement unless the displacement is required in order to achieve the waste management objectives identified in the plan.* In developing the plan the council shall consider the orderly and economic development, public and private, of the metropolitan area; the preservation and best and most economical use of land and water resources in the metropolitan area; the protection and enhancement of environmental quality; the conservation and reuse of resources and energy; the preservation and promotion of conditions conducive to efficient, competitive, and adaptable systems of waste management; and the orderly resolution of questions concerning changes in systems of waste management. Criteria and standards for solid waste facilities shall be consistent with regulations adopted by the pollution control agency pursuant to chapter 116 and shall be at least as stringent as the guidelines, regulations, and standards of the federal environmental protection agency.

Sec. 26. Minnesota Statutes 1980, Section 473.802, is amended to read:

473.802 [LEGISLATIVE PURPOSE AND POLICY.]

The legislature determines that for the protection of the public health, safety,

and welfare of the people of the metropolitan area, for the prevention, control and abatement of pollution of air and waters of the state in the metropolitan area, and for the efficient and economic management of solid waste in the metropolitan area, *and for the furtherance of the state policies and purposes expressed in section 115A.02*, it is necessary to authorize the metropolitan council to carry on a continuous, long range program of planning with respect to solid waste management, to establish criteria and standards and approve permits for solid waste facilities in the area, and to provide funds for the acquisition of property for solid waste disposal purposes; and to authorize the metropolitan counties if necessary to acquire, construct, operate and maintain solid waste facilities, to plan for and regulate solid waste collection services and facilities, to collect data on solid and hazardous waste management systems and procedures, and to assist state agencies to regulate the management of hazardous waste. ~~The legislature declares that a public purpose is served by the recovery and utilization of resources from solid waste where economically viable and compatible with source reduction. The plans, criteria, standards and regulations of the agency, council and metropolitan counties shall, to the extent practicable, encourage ownership and operation of solid waste facilities by private industry.~~

Sec. 27. Minnesota Statutes 1980, Section 473.803, Subdivision 1, is amended to read:

Subdivision 1. [COUNTY MASTER PLANS; GENERAL REQUIREMENTS.] Each metropolitan county, following adoption or revision of the council's solid waste policy plan and in accordance with the dates specified therein, and after consultation with all affected local government units, shall prepare and submit to the council for its approval, a county solid waste master plan to implement the policy plan. The master plan shall be revised and resubmitted at such times as the council's policy plan may require. The master plan shall describe county solid waste activities, functions, and facilities; the existing system of solid waste generation, collection, and processing, and disposal within the county; existing and proposed county and municipal ordinances and license and permit requirements relating to solid waste facilities and solid waste generation, collection, and processing, and disposal; existing or proposed municipal, county, or private solid waste facilities, and collection services within the county together with schedules of existing rates and charges to users and statements as to the extent to which such facilities and services will or may be used to implement the policy plan; and any solid waste facility which the county owns or plans to acquire, construct, or improve together with statements as to the planned method, estimated cost and time of acquisition, proposed procedures for operation and maintenance of each facility; an estimate of the annual cost of operation and maintenance of each facility; an estimate of the annual gross revenues which will be received from the operation of each facility; and a proposal for the use of each facility after it is no longer needed or usable as a waste facility. The master plan shall, to the extent practicable *and consistent with the achievement of other public policies and purposes*, encourage ownership and operation of solid waste facilities by private industry. For solid waste facilities owned or operated by public agencies or supported primarily by public funds or obligations *issued by a public agency*, the master plan shall contain ~~policies to ensure that the facilities are operated on a competitive basis so as not to create an unfair or unreasonable advantage or restraint of trade in relation criteria and standards to protect comparable private and public facilities already existing in the area from displacement unless the displacement is required in order to achieve the waste management objectives identified in the plan.~~

Sec. 28. Minnesota Statutes 1980, Section 473.803, is amended by adding a subdivision to read:

*Subd. 1c. [PLANS FOR REQUIRED USE OF RESOURCE RECOVERY FACILITIES.] Plans proposing designation of resource recovery facilities pursuant to section 473.811, subdivision 10, shall evaluate the benefits of the proposal, including the public purposes achieved by the conservation and recovery of resources; the furtherance of local, district, or regional waste management plans and policies, and the furtherance of the state policies and purposes expressed in section 115A.02, and also the costs of the proposal, including not only the direct capital and operating costs of the facility but also any indirect costs and adverse long-term effects of the designation. In particular the plan shall evaluate:*

*(a) whether the required use will result in the recovery of resources or energy from materials which would otherwise be wasted;*

*(b) whether the required use will lessen the demand for and use of land disposal;*

*(c) whether the required use is necessary for the financial support of the facility;*

*(d) whether less restrictive methods for ensuring an adequate solid waste supply are available;*

*(e) all other feasible and prudent waste processing alternatives for accomplishing the purposes of the proposed designation, the direct and indirect costs of the alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators.*

Sec. 29. Minnesota Statutes 1980, Section 473.811, Subdivision 7, is amended to read:

*Subd. 7. [JOINT ACTION.] Each metropolitan county and Any local government governmental unit or metropolitan commission may act together with any county, city, or town within or without the metropolitan area, or with the pollution control agency or the waste management board under the provisions of section 471.59 or any other appropriate law providing for joint or cooperative action between government units, to accomplish any purpose specified in sections 473.149, 473.151, and 473.801 to 473.823 and sections 473.827, 473.831, 473.833, and 473.834, 116.05 and 115A.06.*

*Any agreement regarding data processing services relating to the generation, management, identification, labeling, classification, storage, collection, treatment, transportation, processing or disposal of waste and entered into pursuant to section 471.59, or other law authorizing joint or cooperative action may provide that any party to the agreement may agree to defend, indemnify and hold harmless any other party to the agreement providing the services, including its employees, officers or volunteers, against any judgments, expenses, reasonable attorney's fees and amounts paid in settlement actually and reasonably incurred in connection with any third party claim or demand arising out of an alleged act or omission by a party to the agreement, its employees, officers or volunteers occurring in connection with any exchange, retention, storage or processing of data, information or records required by the agreement. Any liability incurred by a party to an agreement*

*under this subdivision shall be subject to the limitations set forth in section 3.736 or section 466.04.*

Sec. 30. Minnesota Statutes 1980, Section 473.811, is amended by adding a subdivision to read:

*Subd. 10. [COUNTY DESIGNATION OF RESOURCE RECOVERY FACILITIES.] The authority granted to metropolitan counties by this subdivision shall not apply within any solid waste management district established under sections 115A.62 to 115A.72. In order to accomplish the objectives of county waste management, to further the state policies and purposes expressed in section 115A.02, and to advance the public purposes served by resource recovery, the legislature finds and declares that it may be necessary to authorize a county to require that all or any portion of the solid waste that is generated within the boundaries of the county or any service area thereof and is disposed of in the state be delivered to a resource recovery facility designated by the county board or a transfer station serving such a facility. Any county designation shall be based upon an approved master plan and shall be submitted pursuant to section 473.827, subdivision 1, for review and approval or disapproval by the metropolitan council. In establishing, continuing, and terminating the designation, the county shall be governed by all standards, exemptions, procedures, and other requirements provided in section 115A.70, subdivisions 2 to 6.*

Sec. 31. Minnesota Statutes 1980, Section 473.823, Subdivision 3, is amended to read:

*Subd. 3. [SOLID WASTE FACILITIES; REVIEW PROCEDURES.] The agency shall request applicants for solid waste facility permits to submit all information deemed relevant by the council to its review, including without limitation information relating to the geographic areas and population served, the need, the effect on existing facilities and services, the anticipated public cost and benefit, the anticipated rates and charges, the manner of financing, the effect on metropolitan plans and development programs, the supply of waste, anticipated markets for any product, and alternative means of disposal or energy production. No permit may be issued for the operation of a solid waste facility in the metropolitan area which is not in accordance with the metropolitan council's solid waste policy plan. The metropolitan council shall determine whether a permit is in accordance with the policy plan. In making its determination, the council shall consider the area-wide need and benefit of the applicant facility and may consider, without limitation, the effect of the applicant facility on existing and planned solid waste facilities described in a waste control commission development program or county report or master plan. If the council determines that a permit is in accordance with its policy plan, the council shall approve the permit. If the council determines that a permit is not in accordance with its policy plan, it shall disapprove the permit. The council's approval of permits may be subject to conditions necessary to satisfy criteria and standards in its policy plan, including conditions respecting the type, character, and quantities of waste to be processed at a solid waste facility used primarily for resource recovery and the geographic territory from which a resource recovery facility or transfer station serving such a facility may draw its waste. For the purpose of this review and approval by the council, the agency shall send a copy of each permit application and any supporting information furnished by the applicant to the metropolitan council within 15 days after*

receipt of the application and all other information requested from the applicant. Within 60 days after the application and supporting information are received by the council, unless a time extension is authorized by the agency, the council shall issue to the agency in writing its determination whether the permit is disapproved, approved, or approved with conditions. If the council does not issue its determination to the agency within the 60 day period, unless a time extension is authorized by the agency, the permit shall be deemed to be in accordance with the council's policy plan. No permit ~~may shall~~ be issued in the metropolitan area for a solid waste facility used primarily for resource recovery or a transfer station serving such a facility, if the facility or site station is owned ~~and~~ or operated by a public agency or if the acquisition or betterment of the facility or site station is secured by public funds or obligations *issued by a public agency*, unless the council finds *and determines* that adequate markets exist for the products recovered ~~without substantially reducing the supply of solid waste available for existing resource recovery operations~~ and that *establishment of the facility is operated on a competitive basis so as not to create an unfair or unreasonable advantage or restraint of trade in relation to comparable private facilities existing in the area is consistent with the criteria and standards in the metropolitan and county plans respecting the protection of existing resource recovery facilities and transfer stations serving such facilities.*

Sec. 32. Minnesota Statutes 1980, Section 473.827, Subdivision 1, is amended to read:

Subdivision 1. [APPROVAL OF DESIGNATION PROPOSALS.] The council ~~may require that all or any portion of the solid waste that is generated within the metropolitan area or any service area thereof and is disposed of in the state be delivered to a resource recovery facility designated by the council or a transfer station serving such a facility.~~ The council may designate a facility under this section without the approval of the board except that the approval of the board shall be required if the solid waste required to be delivered is generated outside of the metropolitan area *shall review and approve or disapprove proposals to designate resource recovery facilities under section 473.811, subdivision 10. The council may attach conditions to its approval. Before approving a designation the council shall determine that the proposal conforms to the requirements of section 473.811, subdivision 10, that the designation will further the state policies and purposes expressed in section 115A.02, and that the designation is based upon a master plan approved by the council and an adequate evaluation of the standards expressed in section 473.803, subdivision 1c.*

Sec. 33. Minnesota Statutes 1980, Section 473.827, is amended by adding a subdivision to read:

*Subd. 7. [REPORTS.] The council shall report or require reports to the waste management board on designations approved under this section in accordance with the reporting requirements of the board established pursuant to section 3.*

Sec. 34. Minnesota Statutes 1981 Supplement, Section 473.831, Subdivision 1, is amended to read:

Subdivision 1. [GENERAL OBLIGATION BONDS.] The council may by resolution authorize the issuance of general obligation bonds of the council to

provide funds for the *environmental analysis and acquisition* of sites and surrounding buffer areas for development as solid waste disposal facilities pursuant to this section and section 473.833 and to provide funds for refunding obligations issued under this section. The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for general obligation bonds, and the council shall have the same power and duties as a municipality and its governing body in issuing bonds under chapter 475, except as otherwise provided in this chapter. No election shall be required, and the net debt limitations in chapter 475 shall not apply. The council shall have the power to levy ad valorem taxes for debt service of the council's solid waste bonds upon all taxable property within the metropolitan area, without limitation of rate or amount and without affecting the amount or rate of taxes which may be levied by the council for other purposes or by any local government unit in the area. Each of the county auditors shall annually assess and extend upon the tax rolls in his county the portion of the taxes levied by the council in each year which is certified to him by the council. The principal amount of bonds issued pursuant to this section shall not exceed \$15,000,000.

Sec. 35. Minnesota Statutes 1980, Section 473.831, Subdivision 2, is amended to read:

Subd. 2. [USE OF PROCEEDS.] The proceeds of bonds issued under subdivision 1 shall be used pursuant to section 473.833, by the council, *for the purposes provided in subdivision 1 and to make grants to metropolitan counties to pay the cost of the acquisition of all property or interests in property for solid waste disposal sites and surrounding buffer areas required to be acquired by the county, pursuant to section 473.833, by the council's policy plan and development schedule adopted pursuant to section 473.149, subdivision 2e. If the council is required by law or regulation to prepare environmental analyses on one or more solid waste disposal sites and surrounding buffer areas, the council may use the proceeds of the bonds issued under subdivision 1 to contract for consultant services in the preparation of such analyses only upon a finding that equivalent expertise is not available among its own staff.*

Sec. 36. [REPEALER.]

*Minnesota Statutes 1980, Section 473.827, Subdivisions 2, 3, 4, 5, and 6, are repealed.*

Sec. 37. [APPLICATION.]

*Sections 20 to 27 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "amending" insert "various provisions of"

Page 1, line 8, after "waste;" insert "stating various policies and requirements relating to solid and hazardous waste plans and facility permits; prescribing standards, procedures, approvals, and supervision relating to designations of resource recovery facilities; requiring the board to place its highest priority on alternatives to land disposal of hazardous waste;"

Page 1, line 9, delete "Section" and insert "Sections 115A.08, by adding a

subdivision;”

Page 1, line 10, before the semicolon insert “; 115A.25, by adding a subdivision; 115A.42; 115A.46; 115A.57, Subdivision 1; 115A.59; 115A.62; 115A.69, Subdivision 10; 115A.70, Subdivisions 1, 2, and 3; 116.07, Subdivision 4b; 400.16; 400.162; 473.149, Subdivision 1; 473.802; 473.803, Subdivision 1, and by adding a subdivision; 473.811, Subdivision 7, and by adding a subdivision; 473.823, Subdivision 3; 473.827, Subdivision 1, and by adding a subdivision; 473.831, Subdivision 2”

Page 1, line 11, delete “Subdivision” and insert “Subdivisions” and after “4” insert “and 13; 115A.11, Subdivision 1; 115A.21, Subdivision 3”

Page 1, line 11, delete “and”

Page 1, line 11, before “by” insert “Subdivision 1, and”

Page 1, line 12, before the period, insert “; and 473.831, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 115A; repealing Minnesota Statutes 1980, Section 473.827, Subdivisions 2, 3, 4, 5, and 6”

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. 1879: A bill for an act relating to state government; allowing for disclosures of information between the commissioner of revenue and the department of economic security; amending Minnesota Statutes 1980, Section 268.12, Subdivision 12; and Minnesota Statutes 1981 Supplement, Section 290.61.

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 re-referred

S.F. No. 1801: A bill for an act relating to local government; allowing the city of Orr and the town of Leiding to assess the cost of maintenance of television relay service.

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. 1987: A bill for an act relating to taxation; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; amending Minnesota Statutes 1980, Sections 278.01; and 278.05, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 26, after the period, insert “*If the school board has responded within 30 days of receipt to a notice provided pursuant to section 1, indicating that it desires to be notified of further proceedings in the case,*”



And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 419: A bill for an act relating to retirement; Minneapolis teachers retirement fund association; providing for the purchase of military service credit by certain members; authorizing an amendment to the articles of incorporation of the retirement fund.

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 1981 Supplement, Section 354.46, Subdivision 1, is amended to read:

Subdivision 1. [BASIC PROGRAM; BENEFITS FOR SPOUSE AND CHILDREN OF TEACHER.] If a basic member who has at least 18 months of allowable service credit and who has an average salary as defined in section 354.44, subdivision 6 equal to or greater than \$75 dies prior to retirement or if a former basic member who, at the time of death, was totally and permanently disabled and receiving disability benefits pursuant to section 354.48 dies prior to attaining the age of 65 years, the surviving dependent spouse and dependent children of the basic member or former basic member shall be entitled to receive a monthly benefit as follows:

- (a) Surviving dependent spouse . . . . . 30 percent of the basic member’s monthly average salary paid in the last full fiscal year preceding death
- (b) Each dependent child . . . . . ten percent of the basic member’s monthly average salary paid in the last full fiscal year preceding death

Payments for the benefit of any dependent child under the age of 22 years shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed ~~\$450~~ \$700 for any one family, and the minimum benefit per family shall not be less than 30 percent of the basic member’s average salary, subject to the foregoing maximum. The surviving dependent spouse benefit shall terminate upon remarriage, and the surviving dependent children’s benefit shall be reduced pro tanto when any surviving child is no longer dependent.

If the basic member and the surviving dependent spouse are killed in a common disaster and if the total of all survivors benefits payable pursuant to this subdivision is less than the accumulated deductions plus interest payable, the surviving dependent children shall receive the difference in a lump sum payment.

If the survivor benefits provided in this subdivision exceed in total the

monthly average salary of the deceased basic member, these benefits shall be reduced to an amount equal to the deceased basic member's monthly average salary.

Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to subdivision 2, or may elect to receive a refund of accumulated deductions with interest in a lump sum as provided pursuant to sections 354.47, subdivision 1 or 354.62, subdivision 5, clause (3). If there are any surviving dependent children, the surviving dependent spouse may elect to receive the refund of accumulated deductions only with the consent of the district court of the district in which the surviving dependent child or children reside.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 354.46, Subdivision 2, is amended to read:

Subd. 2. [DEATH WHILE ELIGIBLE DESIGNATED BENEFICIARY BENEFIT.] *The surviving spouse of any member who has attained the age of at least 55 years and has credit for at least 20 years of allowable service or who has credit for at least 30 years of allowable service irrespective of age shall be entitled to elect joint and survivor annuity coverage in the event of death of the member prior to retirement which shall be payable to the surviving spouse. If the election is made and the person dies prior to retirement, the surviving spouse.* If the surviving spouse does not elect to receive a surviving spouse benefit provided pursuant to subdivision 1, if applicable, or does not elect to receive a refund of accumulated member contributions provided pursuant to sections 354.47, subdivision 1, or 354.62, subdivision 5, clause (3), whichever is applicable, *the surviving spouse shall be entitled to receive, upon written application on a form prescribed by the executive director, a benefit equal to the second portion of a 100 percent joint and survivor annuity as provided pursuant to section 354.45 and computed pursuant to section 354.44, subdivisions 2, 6 or 7, whichever is applicable. If the member was a participant in the variable annuity division, the applicable portion of the benefit shall be computed pursuant to section 354.62, subdivision 5, clause (1). The benefit shall be payable for life.*

Sec. 3. [PURCHASE OF PRIOR SERVICE CREDIT.]

*Subdivision 1. [AUTHORITY.] Notwithstanding any provision of law to the contrary, the following persons shall be entitled to purchase prior service credit from the appropriate retirement fund or association for service for which the person has not previously received service credit. The amount and manner of payment shall be governed by the provisions of section 4.*

*Subd. 2. From the Minnesota state retirement system, a member who has prior service as a labor service employee employed as a laborer 1 on an hourly basis between May 4, 1960, and December 26, 1961, and who is currently an employee of the department of natural resources, shall be entitled to purchase service credit for the period from May 4, 1960, to December 26, 1961.*

*Subd. 3. From the teachers retirement association, any member who was given a leave of absence to enter military service and who returned to teaching service upon discharge from military service as provided in Minnesota Statutes, Section 192.262, but who did not obtain credit for the period of military*

service within five years from the date of discharge, or any member who prior to becoming a member of the fund was given a leave of absence to enter military service and returned to teaching service upon discharge from military service as provided in Minnesota Statutes, Section 192.262, shall be entitled to purchase service credit for the period of military service, but service credit shall not be given for any voluntary extension of military service at the instance of the member beyond the initial period of enlistment, induction or call to duty.

*Subd. 4. From the teachers retirement association, any member who rendered teaching service prior to July 1, 1957, as defined in Minnesota Statutes, Section 354.05, but who did not make the full required contributions for this service because of limited or permanent exempt status wherein membership in the association was optional or because of the contribution limits then in effect, shall be entitled to purchase service credit for any of the above periods of service.*

*Subd. 5. From the public employees retirement association, a basic member who served as county attorney for Lac Qui Parle County between January 1, 1951, and September 1, 1960, shall be entitled to purchase service credit for the period served as county attorney.*

*Subd. 6. From the public employees retirement association, a person who was employed by the St. Paul Bureau of Health from January 1948 to September 1953 and who contributed to the bureau of health retirement plan from February 1951 to September 1953, and who was reemployed by the city of St. Paul in the Department of Community Services, Division of Public Health from April 22, 1974, until December 31, 1981, shall be entitled to purchase service credit for the period from February 1951 to September 1953.*

*Subd. 7. From the Minneapolis teachers retirement fund association, if the articles of incorporation are amended pursuant to section 5, any member who has performed active military service in the armed forces of the United States, as defined in Minnesota Statutes, Section 197.971, Subdivision 3, shall be entitled to purchase service credit for the period of prior military service for the lesser of either the actual military service without any voluntary extension beyond the initial period of military service or four years.*

*Subd. 8. From the Buhl police relief association, a member who has at least 15 years of service credit in the Buhl police relief association, and who was a member of the public employees police and fire fund for the period of probationary service and who took a refund of the employee contributions at the end of the probationary period, shall be entitled to purchase service credit in the Buhl police relief association for the period of probationary service.*

*Subd. 9. From the teachers retirement association, any person who was born on May 29, 1932, who is employed as an elementary school principal by Independent School District No. 316, Coleraine, who was employed as a high school teacher and coach by the Hackensack school district during the 1955-1956 school year, who was employed as a high school teacher and coach by the Kelliher school district during the 1956-1957 school year, and who served on active military duty from June 15, 1957, to December 14, 1957, shall be entitled to purchase credit for any period of teaching service or active military service for which the person does not have service credit.*

*Subd. 10. From the Minnesota state retirement system, a former member*

who was employed by the state department of taxation, income tax division, as a probationary employee from June 1942 until January 1943, and as a regular employee of that division until October 1946, and who is currently employed by the public employees retirement association, shall be entitled to purchase service credit for any portion of probationary service, which when added to the service credit obtained by the repayment of a refund authorized under Minnesota Statutes, Section 356.30, Subdivision 2, will enable the person to acquire twenty years of service credit.

*Subd. 11. From the public employees retirement association, any person who was a member of the West St. Paul city council from January 1, 1972, to December 31, 1976, and who was a county commissioner for the county of Dakota from January 1, 1977, to December 31, 1980, shall be entitled to purchase service credit for the period from January 1, 1972, to December 31, 1976.*

*Subd. 12. From the Minnesota state retirement system, any employee or former employee of the department of employment services who was employed during the period June 1, 1941, 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.*

#### Sec. 4. [PAYMENT.]

*Subdivision 1. [CALCULATION OF PRESENT VALUE.] For the persons entitled to purchase prior service credit, there shall be paid to the applicable retirement fund or association an amount equal to the present value, on the date of payment, of the amount of the additional service pension or retirement annuity which would be obtained by virtue of the purchase of the additional service credit, using the interest rate specified in Minnesota Statutes, Section 356.215, Subdivision 4, Clause (4), and the applicable mortality table adopted for the appropriate retirement fund or association and assuming continuous service until, and retirement at, the normal retirement age with the additional service credit purchased, for the appropriate retirement fund or association, or the age at the date of payment or of the agreement to pay, whichever is older, and a future salary history which includes annual salary increases at the salary increase rate specified in Minnesota Statutes, Section 356.215, Subdivision 4, Clause (4). The person requesting the purchase of prior service must establish in the records of the retirement fund or association proof of the service for which the purchase of prior service is requested. The manner of the proof of service shall be in accordance with procedures prescribed by the board of trustees of the fund or association or by the executive director.*

*Subd. 2. [PAYMENT OF PRESENT VALUE; CREDITING OF SERVICE.] Payment shall be made in one lump sum, unless the executive director of the appropriate retirement fund or association agrees to accept payment in installments over a period of not to exceed three years from the date of the agreement, with interest at a rate deemed appropriate by the executive director. The period of allowable service shall be credited to the account of the person only after receipt of full payment by the executive director.*

*Subd. 3. [OPTIONAL EMPLOYER PARTIAL PAYMENT.] Payment*

shall be made by the person entitled to purchase prior service, except that the current or former employer of the person may, at its discretion, pay all or any portion of the payment amount which exceeds an amount equal to the employee contribution rates in effect for the retirement fund during the period or periods of prior service applied to the actual salary rates in effect during the period or periods of prior service, plus interest at the rate of six percent per annum compounded annually from the date on which the contributions would otherwise have been made to the date on which the payment is made.

If more than one person who is a current or former employee of an employing unit is eligible to purchase prior service, the governing body of the employing unit shall establish and implement a uniform policy on the payment by it of a portion of the purchase of prior service payment amount.

Subd. 4. [TIME LIMITATION ON AUTHORITY TO MAKE PAYMENT.] For the provisions of section 3, subdivisions 3 and 4, the authority to make a lump sum payment or the agreement to make payments in installments over a period of not to exceed three years shall expire on July 1, 1987. For the provisions of section 3, subdivision 7, payment shall be made on or before July 1, 1985, or the date the member terminates active service, whichever is earlier. For the remaining provisions of section 3, the authority to make a lump sum payment or to make an agreement to make installments shall expire on July 1, 1983.

Sec. 5: [MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION; AUTHORIZATION OF AMENDMENT OF ARTICLES OF INCORPORATION.]

Authorization is hereby granted in accordance with Minnesota Statutes, Section 354A.12, Subdivision 4, for the Minneapolis teachers retirement fund association to amend its articles of incorporation to authorize its members to purchase military service credit.

A new subsection (18) may be added to article IX of the articles of incorporation to provide that an active member of the Minneapolis teachers retirement fund association who has acquired at least 15 years of service credit from the retirement fund association and who has performed active military service in the armed forces of the United States as defined in Minnesota Statutes, Section 197.971, Subdivision 3, shall be entitled, upon application, to purchase service credit for the period of active military service, which shall not exceed the lesser of the actual military service without any voluntary extension beyond the initial period of military service or four years. The period of military service purchased shall not include any period of service for which the member on the date of purchase is receiving retirement benefits from any federal, state or local public or governmental pension fund or plan other than the federal social security system.

To purchase the military service credit, the member shall pay the retirement fund an amount calculated pursuant to section 4. Payment may be made either in a lump sum or in installments by payroll deduction from the salary of the member. Service credit for the period of military service shall not be granted until full payment is received by the retirement fund and until sufficient documentation concerning the period of military service and the status of other public pension fund or plan credit for the period is provided to the retirement fund.

**Sec. 6. [PURCHASE OF PRIOR SERVICE IN UNCLASSIFIED EMPLOYEES PLAN.]**

*Subdivision 1. [ENTITLEMENT.] A person who was employed by the legislature during the 1981 session and who is currently a permanent employee of the governor's office shall be entitled to purchase service credit for the period of prior intermittent legislative service.*

*Subd. 2. [PAYMENT; PROOF OF EMPLOYMENT.] The calculation of the payment to purchase prior service and proof of legislative employment shall be certified pursuant to Laws 1981, Chapter 297, Section 2, Subdivision 2, second paragraph, except that the matching employer contributions shall be at the discretion of the employer. The authority to make a lump sum payment or to make an agreement to make installment payments shall expire on July 1, 1983.*

**Sec. 7. [EFFECTIVE DATE.]**

*This act is effective the day following final enactment."*

Amend the title as follows:

Delete the title and insert:

"A bill for an act relating to retirement; authorizing certain persons in various retirement funds to purchase prior service credit and military service credit; teachers retirement association; modifying survivor benefits; authorizing an amendment to the articles of incorporation of the Minneapolis teachers retirement fund association; amending Minnesota Statutes 1981 Supplement, Section 354.46, Subdivisions 1 and 2."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1775: A bill for an act relating to health; providing for grants to certain maternal and child health care programs; proposing new law coded in Minnesota Statutes, Chapter 144.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [145.881] [PURPOSE.]

*The legislature finds that it is in the public interest to assure:*

*(a) Statewide planning and coordination of maternal and child health services through the acquisition and analysis of population-based health data, provision of technical support and training, and coordination of the various public and private maternal and child health efforts; and*

*(b) Support for targeted maternal and child health services in communities with significant populations of high risk, low income families through a grants process.*

*Federal money received by the Minnesota commissioner of health, pursuant to United States Code, Title 42, Sections 701 to 709, shall be expended to:*

(1) assure access to quality maternal and child health services for mothers and children, especially those of low income and with limited availability to health services;

(2) reduce infant mortality and the incidence of preventable diseases and handicapping conditions among children;

(3) reduce the need for inpatient and long-term care services and to otherwise promote the health of mothers and children, especially by providing preventive and primary care services for low income mothers and children and prenatal, delivery and postpartum care for low income mothers;

(4) provide rehabilitative services for blind and disabled children under age 16 receiving benefits under Title XVI of the Social Security Act; and

(5) provide and locate medical, surgical, corrective and other service for children who are crippled or who are suffering from conditions that lead to crippling.

Sec. 2. [145.882] [MATERNAL AND CHILD HEALTH ADVISORY TASK FORCE.]

*Subdivision 1. [COMPOSITION OF TASK FORCE.] The commissioner shall establish and appoint a maternal and child health advisory task force consisting of 15 members. Ten members shall be health service professionals with expertise in maternal and child health services, equally representative of the public and private sectors. Five members shall be persons currently serving on a local board of health or advisory committee as defined in section 145.913 or consumer representatives interested in the health of mothers and children.*

*No members shall be employees of the state department of health. Task force members shall be appointed and removed and terms shall expire as provided in section 15.059, subdivision 6.*

*Subd. 2. [DUTIES.] The advisory task force shall meet on a regular basis to perform the following duties:*

(a) Review and report on the health care needs of mothers and children throughout the state of Minnesota;

(b) Review and report on the type, frequency and impact of maternal and child health care services provided to mothers and children under existing maternal and child health care programs, including programs administered by the commissioner of health;

(c) Establish, review, and report to the commissioner a list of program guidelines and criteria which the advisory task force considers essential to providing an effective maternal and child health care program to low income, high risk patients and fulfilling the purposes defined in section 1;

(d) Review staff recommendations of the department of health regarding maternal and child health grant awards before the awards are made;

(e) Make recommendations to the commissioner for the use of other federal and state funds available to meet maternal and child health needs;

(f) Make recommendations to the commissioner of health on priorities for funding the following maternal and child health services: (1) prenatal, delivery and postpartum care, (2) comprehensive health care for children, especially

from birth through five years of age, (3) adolescent health services, (4) family planning services, (5) preventive dental care, (6) special services for chronically ill and handicapped children and (7) any other services which promote the health of mothers and children; and

(g) Make recommendations to the commissioner of health on a process to distribute, award and administer the maternal and child health block grant funds after July 1, 1983, that will fulfill the purposes of section 1.

Sec. 3. [145.883] [MATERNAL AND CHILD HEALTH BLOCK GRANT DISTRIBUTION.]

The maternal and child health care block grant shall be distributed to the same recipients that received funds during the previous year until July 1, 1983. A reduction in federal funding shall be distributed to reflect a proportional reduction for each recipient.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment. Members of the maternal and child health advisory task force shall be appointed by July 1, 1982, and the task force shall make its recommendations required by section 2, subdivision 2, by February 15, 1983."

Amend the title as follows:

Page 1, lines 2 and 3, delete "providing for grants to certain maternal and child health care programs" and insert "providing for an advisory task force to make recommendations on the distribution of funds for maternal and child health care needs"

Page 1, line 4, delete "144" and insert "145"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government and Urban Affairs, to which was referred

S.F. No. 1685: A bill for an act relating to metropolitan government; regulating the organization, duties and powers of the metropolitan mosquito control district and commission; amending Minnesota Statutes 1980, Sections 473.701, Subdivisions 1, 2 and 3; 473.702; 473.703, Subdivisions 1, 2 and by adding a subdivision; 473.704, Subdivisions 1, 5, 13, 14 and 17; 473.705; and 473.706; proposing new law coded in Minnesota Statutes, Chapter 473; repealing Minnesota Statutes 1980, Sections 473.701, Subdivisions 5 and 6; 473.703, Subdivisions 3, 4, 5, 6, 8, and 9; 473.704, Subdivisions 2, 3, 4, 6, and 15; 473.711; 473.713; 473.714; 473.715; and 473.717.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 20, strike "473.717" and insert "473.716"

Page 2, line 5, delete "473.703" and insert "473.702"

Page 2, line 8, after "AREA" insert "; GOVERNING BODY"

Page 2, line 13, after the period, insert "The metropolitan mosquito control commission is created as the governing body of the district, composed and



*exercising the powers as prescribed in sections 473.701 to 473.716."*

Pages 2 to 4, delete sections 5 to 11

Page 4, line 7, reinstate the stricken language

Page 4, lines 7 to 10, delete the new language

Page 4, lines 16 to 18, reinstate the stricken language

Page 4, line 17, delete "commissioners"

Page 4, line 21, after the period, insert "*The commissioner of natural resources shall allow the commission to enter upon state property for the purposes described in this subdivision.*"

Page 4, line 21, delete "They" and insert "The commission"

Page 4, line 23, after the period, insert "*The commission shall not enter upon private property if the owner objects.*"

Pages 4 to 7, delete sections 13 to 17

Page 7, after line 20, insert:

"Sec. 6. Minnesota Statutes 1980, Section 473.711, Subdivision 2, is amended to read:

Subd. 2. *The commission shall prepare an annual budget. The budget may provide for expenditures in an amount not exceeding six-tenths of one mill times the current assessed valuation of the metropolitan area. Each county in the district shall levy a special tax each year in order to defray its share of the cost of the activities of the commission, which . The share shall be based on population per capita based upon the most recent population estimate made by the metropolitan council. Such The levy where necessary may be made separate from the general levy of the county and may be made at any time of the year, however, . No participating county shall levy any tax for mosquito control except under sections 473.701 to 473.717 473.716. The levy shall be in addition to other taxes authorized by law and shall be disregarded in the calculation of limits on taxes imposed by chapter 275."*

Page 7, line 23, delete everything after "6;"

Page 7, delete line 24 and insert "473.713;"

Page 7, line 25, delete "473.715;"

Amend the title as follows:

Page 1, line 4, after "commission;" insert "authorizing taxes;"

Page 1, line 6, delete "473.703"

Page 1, delete lines 7 to 14 and insert "473.704, Subdivision 17; and 473.711, Subdivision 2; repealing Minnesota Statutes 1980, Sections 473.701, Subdivisions 5 and 6; 473.713; and 473.717."

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Finance, to which was re-referred

S.F. No. 1815: A bill for an act relating to economic development; provid-

ing for a Minnesota conference on job formation; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, after "by" insert "*the subcommittee on committees of*"

Page 2, delete line 3 and insert "*Expenses of*"

Page 2, line 5, before the period, insert "*shall be paid from appropriations previously made to the office of the governor, the senate, and the house of representatives*"

Page 2, line 6, after the period, insert "*The commissioners shall submit a budget request, showing proposed income and expenditures, to the governor, the senate committee on rules and administration, and the house committee on rules and legislative administration for their approval. Amounts transferred by the governor, the senate, and the house of representatives to the conference are appropriated to the conference for the purposes of this act.*"

Page 2, after line 7, insert:

"Sec. 5. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*"

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. 276: A bill for an act relating to health; establishing an advisory task force on the use of state facilities in lieu of reimbursing private facilities for some purposes; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete lines 16 to 18 and insert:

*"Expenses of the advisory task force shall be paid from appropriations previously made to the senate, the house of representatives, and the commissioners of health and public welfare. The advisory task force shall prepare a budget of proposed income and expenditures and present it to the senate committee on rules and administration, the house committee on rules and legislative administration, and the commissioners of health and public welfare for approval. Amounts transferred by the senate, the house of representatives, and the commissioners of health and public welfare are appropriated to the advisory task force for the purposes of this act, to be available until June 30, 1983."*

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. 1966: A bill for an act relating to education; authorizing Independent School District No. 742 to commence AVTI construction subject to certain conditions.

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. 1421: A bill for an act relating to fish and wildlife; providing additional authority for the commissioner of natural resources to limit the numbers of deer and bear hunters under certain circumstances; increasing resident deer and bear license fees; providing for deer and bear management, computerized licensing systems, and emergency feeding of wild animals during the winter of 1982; clarifying provisions concerning possession of certain equipment usable in taking fish; authorizing negotiated sale of certain surplus equipment; appropriating money; amending Minnesota Statutes 1980, Sections 97.48, Subdivision 24; 97.49, by adding a subdivision; and 101.42, Subdivision 18; and Minnesota Statutes 1981 Supplement, Section 98.46, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 29, insert:

“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 ~~\$1~~ \$2 from each deer license issued by the commissioner shall be used for the purpose of deer habitat improvement.”

Page 3, line 16, delete “currently”

Page 3, line 18, before the period, insert “on March 1, 1982”

Page 4, line 10, delete “4, 5 and 6” and insert “2, 5, 6, 7 and 8”

Page 4, line 11, delete “2 and 3” and insert “3 and 4”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, before “by” insert “Subdivision 1a, and”

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. 1623: A bill for an act relating to municipal bonds; providing a formula for determining limitations on interest rates; changing a public sale requirement; amending Minnesota Statutes 1980, Sections 474.06; 475.55 and 475.60, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 26, after the period, insert “The rate of interest payable on

*bonds issued pursuant to this section after December 31, 1985, shall not exceed nine percent per year."*

Page 2, line 9, reinstate the stricken "authorized by resolution before" and after the stricken "1982" insert "January 1, 1986"

Page 2, line 17, after the period, insert "*Interest on obligations issued after December 31, 1985, shall not exceed nine percent per year.*"

Page 3, line 14, after "month" insert "*prior to December, 1985,*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1712: A bill for an act relating to public welfare; removing certain exceptions from the authority of the state and counties to file liens against the property of persons receiving medical assistance; amending Minnesota Statutes 1980, Sections 256B.15; and 510.05.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 32, and Laws 1981, Third Special Session Chapter 3, Section 17, is amended to read:

Subdivision 1. Medical assistance may be paid for any person:

(1) Who is eligible for or receiving public assistance, or a woman who is pregnant, as medically verified, and who would be eligible for assistance under the aid to families with dependent children program if the child had been born and living with the woman; 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 80 contiguous acres in unplatted land. Occupancy or exemption shall be determined as provided in chapter 510 and applicable law, including continuing exemption by filing notice under section 510.07.

*If the owner ceases to occupy the homestead for more than 24 continuous months due to admission into a hospital or nursing home, and no spouse or child who is under age 21 or is blind or disabled occupies the homestead during the owner's absence, the owner shall be deemed to have abandoned the homestead. If the owner or his legal representative files a notice with the county recorder before the 24 month period expires, the owner shall not be deemed to have abandoned the homestead for an additional 24 months from the date of filing. The notice must be executed, witnessed, and acknowledged as in the case of a deed, describe the premises and claim them as his homestead. The local welfare agency shall notify the owner or his legal representative of this option to file notice and shall provide information and any assistance the owner needs to file the notice properly. When the second 24 month period expires, the owner shall be deemed to have abandoned the homestead. 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. The value of the following shall not be included:

(a) the homestead, and (b) one motor vehicle licensed pursuant to chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, subdivision 1e; and

(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. 2. Minnesota Statutes 1981 Supplement, Section 256B.15, is amended to read:

256B.15 [CLAIMS AGAINST ESTATES.]

If a person receives any medical assistance ~~hereunder~~ *under this chapter*, on his death, ~~if he is single, or on the death of the person and his surviving spouse, if he is married, and only at a time when he has no~~ *unless there is (a) a surviving spouse or (b) a surviving child who is under 21 or is blind or totally disabled*, the total amount paid for medical assistance ~~rendered~~ for the person, after age 65, without interest, shall be filed as a claim against the *person's estate of the person* in the court having jurisdiction to probate the estate. The claim shall be considered an expense of the last illness of the decedent for the purpose of section 524.3-805. 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~~ *under this section*. Counties may retain one-half of the nonfederal share of medical assistance collections from estates that are directly attributable to county effort."

Page 2, line 6, delete "any" and insert "a"

Page 2, after line 8, insert:

"Sec. 4. Minnesota Statutes 1980, Section 524.3-805, is amended to read:

524.3-805 [CLASSIFICATION OF CLAIMS.]

(a) If the applicable assets of the estate are insufficient to pay all claims in full, the personal representative shall make payment in the following order:

- (1) costs and expenses of administration;
- (2) reasonable funeral expenses;
- (3) debts and taxes with preference under federal law;
- (4) reasonable and necessary medical and hospital expenses of the last illness of the decedent, including compensation of persons attending him *and including a claim filed pursuant to section 256B.15*;
- (5) debts and taxes with preference under other laws of this state;
- (6) all other claims.

(b) No preference shall be given in the payment of any claim over any other claim of the same class, and a claim due and payable shall not be entitled to a preference over claims not due.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 525.145, is amended to read:

525.145 [DESCENT OF HOMESTEAD.]

(1) Where there is a surviving spouse the homestead, including a mobile home which is the family residence, shall descend free from any testamentary or other disposition thereof to which the spouse has not consented in writing or by election to take under the will as provided by law, as follows:

(a) If there be no surviving child or issue of any deceased child, to the spouse;

(b) If there be children or issue of deceased children surviving, then to the spouse for the term of the spouse's natural life and the remainder in equal shares to the children and the issue of deceased children by right of representation.

(2) Where there is no surviving spouse and the homestead has not been disposed of by will it shall descend as other real estate.

(3) Where the homestead passes by descent or will to the spouse or children or issue of deceased children, it shall be exempt from all debts which were not valid charges thereon at the time of decedent's death; ~~in all other cases except that the homestead shall be subject to a claim filed pursuant to section 256B.15 for medical assistance benefits.~~ *If the homestead passes to a person other than a spouse or child or issue of a deceased child, it shall be subject to the payment of the items mentioned in section 525.16. No lien or other charge against any homestead which is so exempted shall be enforced in the probate court, but the claimant may enforce the lien or charge by an appropriate action in the district court.*

Page 2, line 10, after "effective" insert "*the day following final enactment*"

Page 2, line 11; delete everything after "after" and insert "*that date.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "removing certain"

Page 1, delete lines 3 to 6 and insert "allowing payment of claims for

medical assistance to be made against homestead property which is part of an estate; amending Minnesota Statutes 1980, Sections 510.05 and 524.3-805; and Minnesota Statutes 1981 Supplement, Sections 256B.06, Subdivision 1, as amended; 256B.15 and 525.145."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S.F. No. 1596: A bill for an act relating to drivers licenses; requiring the suspension of licenses of certain uninsured persons; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 171.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, after "3" insert a comma

Page 1, lines 10, 15, 17, and 22, delete "any" and insert "a"

Page 1, line 10, delete "shall have" and insert "has"

Page 1, line 13, after "jurisdiction" insert "including county, municipal, or conciliation court,"

Page 1, line 21, delete "When any" and insert "If a"

Page 1, line 22, delete "and failed"

Page 1, delete lines 23 to 25

Page 2, line 1, delete the first "to" and insert "the clerk of court, upon affidavit of the judgment creditor that the judgment has not been satisfied, shall immediately"

Page 2, line 1, delete "immediately after the expiration"

Page 2, line 2, delete "of the 30 days,"

Page 2, lines 4 and 19, delete "any" and insert "a"

Page 2, line 11, delete "any" in both places and insert "the"

Page 2, line 14, delete "Minnesota Statutes,"

Page 2, line 20, after "full" insert "or has expired,"

Page 2, line 22, delete "Any" and insert "A"

Page 2, line 30, delete "such"

Page 2, line 31, delete "as"

Page 2, line 31, delete "shall require" and insert "requires"

Page 3, line 3, delete "Judgments herein referred"

Page 3, line 4, delete "to shall be deemed" and insert "For the purposes of sections 1 to 3, a judgment is"

Page 3, line 4, after "satisfied" insert "if"



- Page 3, lines 5 and 14, delete "When"
- Page 3, line 9, delete "When,"
- Page 3, line 19, delete "any"
- Page 3, line 23, delete "INSTALMENT" and insert "INSTALLMENT"
- Page 3, lines 27, 30, and 36, delete "instalments" and insert "installments"
- Page 3, line 27, before "the" delete "and" and insert a period
- Page 3, line 32, delete "when" and insert "if"
- Page 3, line 34, delete "Minnesota Statutes,"
- Page 3, line 34, delete "and" and insert a comma
- Page 3, line 35, after "order" insert "or enters into a written agreement with the judgment creditor"
- Page 3, line 36, delete "while" and insert "does not default on"
- Page 3, line 36, delete "instalment is not in" and insert "installment"
- Page 4, line 1, delete "default"
- Page 4, line 2, delete "In the event" and insert "If"
- Page 4, line 3, delete "instalment" and insert "installment"
- Page 4, line 3, after "order" insert "or agreement"
- Page 4, line 13, delete "\$....." and insert "\$20,834"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which were referred

H.F. Nos. 1646, 1700, 1725, 1747, 1885, 1902, 1920, 1948 and 2068 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.
1646	1494			1700	1692
1885	1769			1725	1733
1902	2042			1747	1678
1920	1903				
1948	2133				
2068	2057				

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. 1366, 1456, 1712, 1713, 1955, 2078 and 2175 for comparison with companion Senate Files, reports the following House Files were found 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.
1366	1406				
1456	1400				
1712	1808				
1713	1530				
1955	1748				
2078	2026				
2175	2064				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1366 be amended as follows:

Page 3, line 22, after "*property*" insert "(1) is known to one who contributes to the improvement of the real property, or (2)"

Page 3, line 23, after "*land*" insert a comma

And when so amended H.F. No. 1366 will be identical to S.F. No. 1406, and further recommends that H.F. No. 1366 be given its second reading and substituted for S.F. No. 1406, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1456 be amended as follows:

Page 1, line 24, after "document;" insert "and"

Page 2, line 4, delete "~~document~~ documents," and insert " ~~documents~~ document"

Page 2, delete lines 30 to 36

Page 3, delete lines 1 to 7

Page 3, line 8, delete "3" and insert "2"

Page 3, line 9, delete "2" and insert "1"

Page 3, line 9, delete "*following*" and insert "*after*"

Amend the title as follows:

Page 1, line 4, delete everything after "525.03" and insert a period

Page 1, delete line 5

And when so amended H.F. No. 1456 will be identical to S.F. No. 1400, and further recommends that H.F. No. 1456 be given its second reading and substituted for S.F. No. 1400, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1712 be amended as follows:

Amend the title as follows:

Page 1, line 7, delete everything after the semicolon

Page 1, delete lines 8 and 9

Page 1, line 10, delete everything before the semicolon and insert "providing for allocation of funds to counties; providing for notice and comment procedures with respect to proposals to amend or repeal certain rules"

And when so amended H.F. No. 1712 will be identical to S.F. No. 1808,

and further recommends that H.F. No. 1712 be given its second reading and substituted for S.F. No. 1808, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1713 be amended as follows:

Page 1, line 16, delete "*This act*" and insert "*Section 1*"

Page 1, line 16, after "*effective*" insert "*on*" and after "*day*" delete "*after*" and insert "*of*"

Page 1, line 17, delete everything after "3"

Page 1, line 18, delete everything before the period

And when so amended H.F. No. 1713 will be identical to S.F. No. 1530, and further recommends that H.F. No. 1713 be given its second reading and substituted for S.F. No. 1530, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1955 be amended as follows:

Page 1, line 13, delete "*such*" and insert "*the*"

Page 1, line 14, delete "*municipality*" and insert "*Waconia city council*"

Amend the title as follows:

Page 1, line 4 delete everything after "and"

Page 1, line 5, delete everything before the period and insert "in an amount and with a maturity date to be determined by the governing body"

And when so amended H.F. No. 1955 will be identical to S.F. No. 1748, and further recommends that H.F. No. 1955 be given its second reading and substituted for S.F. No. 1748, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2078 be amended as follows:

Page 1, line 20, before the period insert "*if the delegation has been approved by the commissioner of administration and filed with the secretary of state*"

And when so amended H.F. No. 2078 will be identical to S.F. No. 2026, and further recommends that H.F. No. 2078 be given its second reading and substituted for S.F. No. 2026, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2175 be amended as follows:

Page 93, after line 35, insert:

"Sec. 133. Minnesota Statutes 1980, Section 145.61, Subdivision 2, is amended to read:

Subd. 2. [PROFESSIONAL.] "Professional" means a person licensed to practice a healing art under ~~Minnesota Statutes 1969~~, chapter 147, or chapter 148, to practice dentistry under ~~Minnesota Statutes 1969~~, chapter 150A, to

practice as a pharmacist under ~~Minnesota Statutes 1969~~, chapter 151, or to practice podiatry under ~~Minnesota Statutes 1969~~, chapter 153."

Page 12 of the Explanation, after line 11, insert:

"Sec. 133. *Explanation.* The section was not intended to be limited to Minnesota Statutes 1969. It should reflect the current edition of Minnesota Statutes."

Amend the title as follows:

Page 1, line 15, after "136.015;" insert "145.61, Subdivision 2;"

And when so amended H.F. No. 2175 will be identical to S.F. No. 2064, and further recommends that H.F. No. 2175 be given its second reading and substituted for S.F. No. 2064, 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. 1628, 1723, 881, 1709, 1965, 1879, 1801, 1987, 419, 1775, 1815, 276, 1966, 1421 and 1623 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 1646, 1885, 1902, 1920, 1948, 2068, 1700, 1725, 1747, 1366, 1456, 1712, 1713, 1955, 2078 and 2175 were read the second time.

## MOTIONS AND RESOLUTIONS

Ms. Berglin moved that the name of Mr. Sikorski be added as a co-author to S.F. No. 1589. The motion prevailed.

Mr. Penny moved that the name of Mr. Sikorski be added as a co-author to S.F. No. 1712. The motion prevailed.

Mr. Davis moved that the name of Mr. Dahl be added as a co-author to S.F. No. 2156. The motion prevailed.

Mr. Luther moved that the name of Mr. Johnson be stricken as a co-author to S.F. No. 1450. The motion prevailed.

Ms. Berglin moved that the name of Mrs. Stokowski be added as a co-author to S.F. No. 2006. The motion prevailed.

Mr. Pehler introduced—

Senate Resolution No. 77: A Senate resolution proclaiming November 10, 1982, to be "Saint John's Preparatory School Day" in Minnesota.

Referred to the Committee on Rules and Administration.

Mr. Hanson moved that S.F. No. 1666 be withdrawn from the Committee on Finance, given a second reading and placed on General Orders. The motion prevailed.

S.F. No. 1666: A bill for an act relating to legal services; providing for a surcharge on civil filing fees; authorizing the supreme court to appoint an advisory committee; authorizing the distribution of the surcharge funds to qualified programs providing legal services to certain persons; requiring a report to the legislature; proposing new law coded in Minnesota Statutes, Chapter 480.

S.F. No. 1666 was read the second time.

### CALENDAR

S.F. No. 1689: A bill for an act relating to the operation of state government; authorizing the legislative auditor to approve contracts for auditing state agencies; clarifying certain provisions regarding the term of the legislative auditor; modifying authority of the housing finance agency and certain other agencies to contract for audits without approval; amending Minnesota Statutes 1980, Sections 3.97, Subdivision 4; 3.972; and 462A.22, 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 56 and nays 3, as follows:

Those who voted in the affirmative were:

Belanger	Engler	Lantry	Peterson, C.C.	Spear
Benson	Frank	Lessard	Peterson, D.L.	Stern
Berglin	Frederick	Lindgren	Peterson, R.W.	Stumpf
Bernhagen	Frederickson	Luther	Petty	Taylor
Bertram	Hanson	Menning	Purfeerst	Tennessee
Brataas	Hughes	Merriam	Ramstad	Vega
Chmielewski	Johnson	Moe, D. M.	Renneke	Waldorf
Dahl	Kamrath	Moe, R. D.	Rued	Willet
Davies	Knutson	Nelson	Schmitz	
Davis	Kroening	Olhoft	Setzepfandt	
Dicklich	Kronebusch	Pehler	Sikorski	
Dieterich	Langseth	Penny	Solon	

Messrs. Ashbach, Berg and Ulland voted in the negative.

So the bill passed and its title was agreed to.

### RECONSIDERATION

Mr. Bernhagen moved that the vote whereby S.F. No. 1689 was passed by the Senate on March 2, 1982, be now reconsidered. The motion prevailed.

S.F. No. 1689: A bill for an act relating to the operation of state government; authorizing the legislative auditor to approve contracts for auditing state agencies; clarifying certain provisions regarding the term of the legislative auditor; modifying authority of the housing finance agency and certain other agencies to contract for audits without approval; amending Minnesota Statutes 1980, Sections 3.97, Subdivision 4; 3.972; and 462A.22, Subdivision 10.

With the unanimous consent of the Senate, Mr. Moe, D.M. moved to amend S.F. No. 1689 as follows:

Page 3, line 4, after "shall" insert "not participate in the selection of the public accountant, but shall"

The motion prevailed. So the amendment was adopted.

S.F. No. 1689 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 51 and nays 9, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lindgren	Peterson, D.L.	Stokowski
Belanger	Engler	Luther	Peterson, R.W.	Stumpf
Benson	Frank	Menning	Petty	Taylor
Berglin	Hanson	Merriam	Purfeerst	Tennessee
Bernhagen	Hughes	Moe, D. M.	Ramstad	Vega
Bertram	Johnson	Moe, R. D.	Schmitz	Waldorf
Chmielewski	Knutson	Nelson	Setzepfandt	Willet
Dahl	Kroening	Olthof	Sikorski	
Davies	Kronebusch	Pehler	Solon	
Davis	Langseth	Penny	Spear	
Dicklich	Lantry	Peterson, C.C.	Stern	

Those who voted in the negative were:

Berg	Frederick	Kamrath	Renneke	Ulland
Brataas	Frederickson	Lessard	Rued	

So the bill, as amended, passed and its title was agreed to.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mrs. Lantry in the chair.

After some time spent therein, the committee arose, and Mrs. Lantry reported that the committee had considered the following:

S.F. Nos. 1625, 1791, 1790, 1792, 1970, 1814, 1837 and 1805, which the committee recommends to pass.

S.F. No. 1605, which the committee recommends to pass with the following amendment offered by Mr. Lindgren:

Page 1, line 16, delete "ten" and insert "20"

Page 1, line 17, before the period insert "*using factors including, but not limited to: change in ownership; frequent changes in administration in excess of normal turnover rates; complaints to the commissioner of health about care, safety, or rights; where previous inspections or reinspections under section 144A.10 have resulted in correction orders related to care, safety, or rights; or where persons involved in ownership or administration of the facility have been indicted for alleged criminal activity*"

Page 1, line 22, reinstate "but"

Page 1, line 23, reinstate "at least once every" and after the stricken "three" insert "four" and reinstate "years"

The motion prevailed. So the amendment was adopted.

S.F. No. 1683, which the committee recommends to pass, after the following motion:

The question was taken on the recommendation to pass S.F. No. 1683.

The roll was called, and there were yeas 24 and nays 19, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kamrath	Peterson, D.L.	Sikorski
Belanger	Frank	Knutson	Peterson, R.W.	Tennessee
Benson	Frederick	Kronebusch	Ramstad	Ulland
Bernhagen	Frederickson	Lindgren	Renneke	Wegener
Bertram	Hughes	Pehler	Rued	

Those who voted in the negative were:

Berglin	Langseth	Merriam	Petty	Stokowski
Dahl	Lantry	Moe, D. M.	Schmitz	Stumpf
Davies	Luther	Moe, R. D.	Spear	Waldorf
Kroening	Menning	Penny	Stern	

The motion prevailed. So S.F. No. 1683 was recommended to pass.

On motion of Mrs. Lantry, 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 Motions and Resolutions.

## MOTIONS AND RESOLUTIONS

Mrs. Stokowski moved that H.F. No. 604 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

### CONFERENCE COMMITTEE REPORT ON 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.

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. 604, 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. 604 be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Laws 1981, Chapter 29, Article IV, Section 19, Subdivision 2, is amended to read:

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.~~

Sec. 2. Laws 1981, Chapter 29, Article IV, Section 19, is amended by adding a subdivision to read:

*Subd. 6. [TIME OFF FROM WORK TO SERVE AS ELECTION JUDGE.] Every individual who is selected to serve as an election judge pursuant to Laws 1981, Chapter 29, 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. 3. 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, ~~Subdivision 43.327;~~

(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 amount allowed for state employees in accordance with rules adopted pursuant to Minnesota Statutes, Section 471.665, ~~Subdivision 43.327;~~

(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 pursuant to Minnesota Statutes, Section 471.665, ~~Subdivision 43.327;~~

~~(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. The compensation for election judges shall be set as follows: by the governing body in home rule charter and statutory cities, by the county board in unorganized territory, and by the town board in towns; provided that in all cases election judges shall receive not less than the prevailing Minnesota minimum wage for each hour~~



spent carrying out their duties at the polling places and in attending training sessions required by Laws 1981, Chapter 29, Article IV, Section 25. 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 not less than that allowed for state employees pursuant to section 471.665, subdivision 4 43.327; 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.

Sec. 4. Minnesota Statutes 1980, Section 410.12, Subdivision 4, is amended to read:

Subd. 4. [ELECTION.] Amendments shall be submitted to the qualified voters at a general or special election and published as in the case of the original charter. The form of the ballot shall be fixed by the governing body. The statement of the question on the ballot shall be sufficient to identify the amendment clearly and to distinguish the question from every other question on the ballot at the same time. If 54 55 percent of the votes cast on any amendment are in favor of its adoption, copies of the amendment and certificates shall be filed, as in the case of the original charter and the amendment shall take effect in 30 days from the date of the election or at such other time as is fixed in the amendment.

Sec. 5. [REPEALER.]

*Laws 1981, Chapter 29, Article IV, Section 19, Subdivision 3, is repealed.*"

Delete the title and insert:

"A bill for an act relating to elections; changing eligibility requirements and compensation for election judges; fixing the majority necessary to approve an amendment to a home rule charter; authorizing time off from work for election judges; amending Minnesota Statutes 1980, Section 410.12, Subdivision 4; and Laws 1981, Chapter 29, Article IV, Sections 19, Subdivision 2, and by adding a subdivision; and 31; repealing Laws 1981, Chapter 29, Article IV, Section 19, Subdivision 3."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Donna Peterson, C. Thomas Osthoff, Gary W. Laidig

Senate Conferees: (Signed) Anne K. Stokowski, Earl W. Renneke, Marilyn M. Lantry

Mrs. Stokowski moved that the foregoing recommendations and Conference Committee Report on H.F. No. 604 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion did not prevail.

Mrs. Stokowski moved that H.F. No. 604 be returned to the House of Representatives for return to the Conference Committee as formerly constituted. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Berglin moved that S.F. No. 378 be taken from the table. The motion prevailed.

S.F. No. 378: A bill for an act relating to marriage dissolution; clarifying factors to consider in awarding maintenance; amending Minnesota Statutes 1980, Section 518.552.

Ms. Berglin moved that the Senate do not concur in the amendments by the House to S. F. No. 378, 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.

Without objection, the Senate reverted to the Order of Business of Executive and Official Communications.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 25, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointment as Commissioner of the Department of Veterans' Affairs is hereby respectfully submitted to the Senate for confirmation as required by law:

James H. Main, 1575 Crest Drive, Chaska, Carver County, has been appointed by me, effective March 2, 1982, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Veterans' Affairs.)

February 26, 1982

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:

Henry J. Bromelkamp, 2304 Lenwood Drive S.W., Rochester, Olmsted County, has been appointed by me, effective March 8, 1982, for a term expiring the first Monday in January, 1983.

Erling O. Johnson, 832 Eastwood Lane, Anoka, Anoka County, has been appointed by me, effective March 8, 1982, for a term expiring the first Monday in January, 1986.

Ruth A. Myers, 1006 East 2nd Street, Duluth, St. Louis County, has been appointed by me, effective March 8, 1982, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Education.)

February 26, 1982

The Honorable Jack Davies  
President of the Senate

Dear Sir:

The following appointment to the Minnesota Housing Finance Agency is hereby respectfully submitted to the Senate for confirmation as required by law:

Michael D. Finch, 861 24th Avenue S.E., Minneapolis, Hennepin County, has been appointed by me, effective February 26, 1982, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on Energy and Housing.)

Sincerely,

Albert H. Quie, Governor

### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Sieloff introduced—

S.F. No. 2188: A bill for an act relating to taxation; income; providing business incentives by adopting full accelerated cost recovery system, gradually reducing income tax rates, and providing an additional capital gains deduction for corporations; amending Minnesota Statutes 1980, Section 290.16, Subdivisions 15, as amended, and 16, as amended, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 20, as amended; 290.06, Subdivisions 1, as amended, and 2c; 290.09, Subdivision 7, as amended.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sieloff introduced—

S.F. No. 2189: A bill for an act relating to taxation; conforming with the federal effective dates of changes to the estate tax law; correcting citations to federal law; amending Minnesota Statutes 1980, Sections 291.015, as amended; 291.03, Subdivision 3, as amended; 291.051, Subdivision 1, as amended; 291.09, Subdivision 1a, as amended; and Laws 1981, Third Special Session Chapter 2, Article VI, Section 8.

Referred to the Committee on Taxes and Tax Laws.

Mr. Moe, D.M. introduced—

S.F. No. 2190: A bill for an act relating to the city of St. Paul; authorizing the city to impose a gross earnings tax on individuals; providing penalties.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson, Bertram, Pehler, Mrs. Lantry and Mr. Petty introduced—

S.F. No. 2191: A bill for an act relating to taxation; income; providing that

the deduction for federal income taxes may be apportioned between spouses who file a combined return as they elect; amending Minnesota Statutes 1981 Supplement, Section 290.18, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Wednesday, March 3, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## EIGHTIETH DAY

St. Paul, Minnesota, Wednesday, March 3, 1982

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. Peter Wyckoff.

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	Kamrath	Moe, R.D.	Rued	Vega
Dahl	Knioll	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoff	Setzepfandt	Willet
Davis	Kroening	Pehler	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. Hughes and Keefe were excused from the Session of today.

### 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. 2174 and 1107.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 2, 1982

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. 1510: A bill for an act relating to highway traffic regulations; removing certain requirements for bug deflectors; amending Minnesota Statutes 1980, Section 169.743.

Senate File No. 1510 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 2, 1982

Mr. Moe, R.D. moved that S.F. No. 1510 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. 1663, 1720, 1735, 1804, 716, 1698, 1850, 1915, 1234, 1469, 1492, 1907; 773, 1220, 1803, 1819, 2050 and 2098.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 2, 1982

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1663: A bill for an act relating to law libraries; recodifying the laws governing county law libraries; amending Minnesota Statutes 1980, Sections 140.34; 140.35; 140.36; 140.37; 140.38; 140.39; 140.40; 140.44; 140.45; 140.46; and 480.09, Subdivision 5; proposing new law coded in Minnesota Statutes 1980, Chapter 140; repealing Minnesota Statutes 1980, Sections 140.01 to 140.20; 140.212 to 140.33; 140.41 to 140.435; Minnesota Statutes 1981 Supplement, Section 140.21.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1611.

H.F. No. 1720: A bill for an act relating to retirement; recognizing service covered by multiple retirement funds for entitlement to a disability benefit; proposing new law coded in Minnesota Statutes, Chapter 356.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1568, now on General Orders.

H.F. No. 1735: A bill for an act relating to retirement; Hennepin county supplemental retirement program; providing for a phase out of the program; authorizing current participants to withdraw from the program; providing for an increased withdrawal benefit option in certain instances; amending Laws 1969, Chapter 950, Sections 1, 2, 3, as amended, 4, as amended, 5 and 6; repealing Laws 1969, Chapter 950, Section 8.

Referred to the Committee on Rules and Administration for comparison with

S.F. No. 1639, now on General Orders.

H.F. No. 1804: A bill for an act relating to partition fences; exempting certain lands from the provisions of chapter 344; proposing new law coded in Minnesota Statutes, Chapter 344.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1819, now on General Orders.

H.F. No. 716: A bill for an act relating to insurance; regulating policies of automobile insurance providing comprehensive coverage; requiring an option to purchase full coverage of windshield glass damage; proposing new law coded in Minnesota Statutes, Chapter 65B.

Referred to the Committee on Commerce.

H.F. No. 1698: A bill for an act relating to public welfare; delaying the duty of the commissioner of administration to sell certain land and buildings; amending Laws 1981, Chapter 360, Article 1, Section 2, Subdivision 5.

Referred to the Committee on Finance.

H.F. No. 1850: A bill for an act relating to juveniles; providing that commission of certain offenses constitutes prima facie evidence in reference for prosecution cases; amending Minnesota Statutes 1981 Supplement, Section 260.125, Subdivision 3.

Referred to the Committee on Judiciary.

H.F. No. 1915: A bill for an act relating to local government; establishing a board to implement and administer a plan for a segment of the Minnesota river in Blue Earth, Brown, Le Sueur, Nicollet, Redwood and Renville counties.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 1234: A bill for an act relating to employees and officials of the state; hospital and medical benefits for retired or disabled state officials and employees; amending Minnesota Statutes 1980, Section 471.61, Subdivision 2a.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1274, now on General Orders.

H.F. No. 1469: 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.

H.F. No. 1492: 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 Rules and Administration for comparison with S.F. No. 1418.

H.F. No. 1907: A bill for an act relating to public utilities; specifying the

appropriate treatment of certain advertising expenses; amending Minnesota Statutes 1980, Section 216B.16, Subdivision 8.

Referred to the Committee on Commerce.

H.F. No. 773: A bill for an act relating to marriage dissolution; adopting the revised uniform reciprocal enforcement of support act; proposing new law coded as Minnesota Statutes, Chapter 518C; repealing Minnesota Statutes 1980, Sections 518.41 to 518.53.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 648.

H.F. No. 1220: A bill for an act relating to unemployment compensation; clarifying that quitting work due to sexual harassment does not result in benefit disqualification; amending Minnesota Statutes 1980, Section 268.09, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1579.

H.F. No. 1803: A bill for an act relating to juveniles; providing for termination of jurisdiction over juveniles; providing for the apprehension of juvenile absconders and escapees; amending Minnesota Statutes 1980, Sections 242.19; 260.181, Subdivision 4; and Minnesota Statutes 1981 Supplement, Sections 4.12, by adding subdivisions; and 242.44.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1600.

H.F. No. 1819: A bill for an act relating to education; authorizing school districts to develop programs enabling secondary students to attend courses at post secondary institutions; proposing new law coded in Minnesota Statutes, Chapter 123.

Referred to the Committee on Education.

H.F. No. 2050: A bill for an act relating to crimes; establishing the crime of commercial bribery; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 609.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1755, now on General Orders.

H.F. No. 2098: A bill for an act relating to retirement; teachers retirement association; extending the time limit for the purchase of service credit for military service leaves of absence for certain veterans.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1709, 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. Merriam from the Committee on Agriculture and Natural Resources, to which was referred



H.F. No. 1579: A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Brainerd.

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. 1487: A bill for an act relating to taxation; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, delete "*Subdivision 1. [LEVY INCREASE.]*"

Page 1, delete lines 16 to 24

Amend the title as follows:

Page 1, line 4, after "1982" insert "without penalty"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Johnson from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 1767: A bill for an act relating to taxation; income tax; providing for allocation of income for nonresident athletes and entertainers; providing for apportionment of income for athletic teams; providing for withholding; amending Minnesota Statutes 1980, Sections 290.19, Subdivision 1; and 290.92, Subdivision 4a; and Minnesota Statutes 1981 Supplement, Section 290.17, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, after "2," insert "as amended by Laws 1981, Third Special Session Chapter 2, Article 3, Section 13,"

Page 2, line 5, delete "*athlete for that*" and insert "*athletic team employee*"

Page 2, delete lines 6 to 18 and insert "*shall be*"

Page 2, line 22, after the period, insert "*In order to eliminate the need to file state or provincial income tax returns in several states or provinces, Minnesota will exclude from income any income assigned to Minnesota under the provisions of this clause for a nonresident athlete who is employed by an athletic team whose operations are not based in this state if the state or province in which the athletic team is based provides a similar income exclusion. If the state or province in which the athletic team's operations are based does not have an income tax on an individual's personal service income, it will be deemed that that state or province has a similar income exclusion. As used in the preceding sentence, the term 'province' means a province of Canada.*"

Page 2, line 23, delete "(iii)" and insert "(ii)"

Page 2, line 25, delete "*or (ii) above*"

Page 3; line 35, after "(1)" insert ", nor shall it apply to income from the operation of a farm which is subject to the provisions of clause (2)"

Page 4, after line 3, insert:

"If the trade or business carried on wholly or partly in Minnesota is part of a unitary business, the entire income of that unitary business shall be subject to apportionment under section 290.19. The term "unitary business" shall mean a number of business activities or operations which are of mutual benefit, dependent upon, or contributory to one another, individually or as a group. Unity shall be presumed whenever there is unity of ownership, operation, and use, evidenced by centralized management or executive force, centralized purchasing, advertising, accounting, or other controlled interaction. Unity of ownership will not be deemed to exist unless the corporation owns more than 50 percent of the voting stock of the other corporation.

The entire income of a unitary business, including all income from each activity, operation or division, shall be subject to apportionment as provided in section 290.19. None of the income of a unitary business shall be considered as derived from any particular source and none shall be allocated to any particular place except as provided by the applicable apportionment formula."

Page 7, line 5, after "conducted" insert ", which method shall be used for athletic teams, provided that any receipts from any radio or television contract shall not be apportionable and shall be assigned to the state in which the team's operation is based"

Page 7, line 5, delete "or"

Page 7, delete lines 6 to 8

Page 7, line 36, delete "or" and insert a comma

Page 7, line 36, after "performers" insert "or athletes"

Page 8, line 1, after "entertainment" insert "or athletic"

Page 8, line 3, delete "or" and insert a comma

Page 8, line 3, after "performers" insert "or athletes"

Page 8, line 7, after the period, insert "*The individual, and not the corporation, shall be subject to the Minnesota income tax as provided in this chapter on the compensation for personal services.*"

Amend the title as follows:

Page 1, line 9, after "2" insert ", as amended"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government and Urban Affairs, to which was referred

H.F. No. 1602: A bill for an act relating to counties; providing for meetings of the county board of commissioners; amending Minnesota Statutes 1980, Section 375.07.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 20, insert:

“Sec. 2. Minnesota Statutes 1980, Section 375.13, is amended to read:

375.13 [CHAIRMAN.]

The county board, at its first session in each year, shall elect from its members a chairman and a vice-chairman. The chairman shall preside at its meetings and sign all documents requiring signature on its behalf and his signature as chairman, attested by the ~~county auditor~~ *clerk of the county board*, shall be binding as the signature of such board. In case of the absence or incapacity of the chairman, the vice-chairman shall perform his duties. If the chairman or vice-chairman are absent from any meeting, all documents requiring the signature of the board shall be signed by a majority thereof and likewise attested.”

Amend the title as follows:

Page 1, line 4, delete “Section” and insert “Sections” and before the period, insert “; and 375.13”

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government and Urban Affairs, to which was referred

H.F. No. 1430: A bill for an act relating to the city of Hibbing; fixing the amount of the mayor's contingent fund; amending Laws 1939, Chapter 329, Section 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, strike “such”

Page 1, line 16, strike “he” and insert “*the mayor*”

Page 1, line 19, strike “such” and strike “purpose” and insert “*purposes*”

Page 1, line 20, strike everything before the period

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. 1610: A bill for an act relating to taxation; providing for withholding of income tax refunds from child support debtors; amending Minnesota Statutes 1980, Section 290.50, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, before “A” insert “*Upon a finding by a court of this state that*” and delete “*and found by a*”

Page 1, line 13, delete “*court of this state to be*” and insert “*is*” and delete “*shall*”

Page 1, line 14, delete “*have*” and insert a comma and after “*owing*” insert

*"shall be."*

Page 1, line 20, after the period, insert *"The person from whom the refund may be withheld shall be notified of the petition pursuant to the rules of civil procedure prior to the issuance of an order pursuant to this subdivision."*

Page 2, line 3, after "agency" insert *"or the petitioning parent or guardian"*

Page 2, line 5; after "supported" insert *": or the amount of any support that had been the subject of the claim pursuant to this subdivision which has been paid by the taxpayer prior to the diversion of the refund."*

Page 2, line 6, after the period, insert *"If the refund is based on a joint or combined return, the portion of the refund that shall be remitted to the petitioner shall be the proportion of the total refund that equals the proportion of the total federal adjusted gross income of the spouses that is the federal adjusted gross income of the spouse who is delinquent in making the child support payments. A petition filed pursuant to this subdivision shall be in effect with respect to any refunds due under this section during a period of one year from the date when the petition was filed. If a petition is filed pursuant to this subdivision and a claim is made pursuant to chapter 270A with respect to the same individual's refund and notices of both are received prior to the time when payment of the refund is made on either claim, the commissioner shall transmit the claims to the court that issued the order under this subdivision. The court shall order that the claim relating to the liability that accrued first in time shall be paid first; any amount of the refund remaining shall then be applied to the other claim. The provisions of section 290.61 shall not prohibit the exchange of information among the department, the petitioner, and the court to the extent necessary to accomplish the intent of this subdivision. Not later than five days after the court has notified the department of its withholding order, the department shall send a written notification of the order to the person to whom the refund would otherwise be paid."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H.F. No. 1589: A bill for an act relating to motor vehicles; authorizing the operation of motorized golf carts by certain persons on designated roadways of city streets; regulating the operation thereof; amending Minnesota Statutes 1980, Sections 168.012, by adding a subdivision; 169.522; and proposing new law coded in Minnesota Statutes, Chapter 169.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H.F. No. 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.

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. 1993: A bill for an act relating to taxation; requiring registration of certain rental housing; limiting certain income tax deductions; amending Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended; proposing new law coded in Minnesota Statutes, Chapter 290.

Reports the same back with the recommendation that the bill be amended as follows:

Page 12, after line 33, insert:

"Sec. 2. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] (a) The following deductions from gross income shall be allowed in computing net income, provided that any item which was deducted in arriving at gross income under the provisions of section 290.01, subdivision 20, shall not be again deducted under this section.

(b) Property taxes may not be deducted under this section if

(1) The taxes are attributable to a trade or business carried on by an individual, or

(2) The taxes are expenses for the production of income which are paid or incurred by an individual; and which are not allowed as a deduction under section 164 of the Internal Revenue Code of 1954, as amended through December 31, 1980.

(c) *Interest and depreciation attributable to rental residential property may not be deducted under this section if the property does not comply with the requirements of section 2.*"

Page 12, line 34, delete "[290.102]" and before "REGISTRATION" insert "CITY OF MINNEAPOLIS;"

Page 13, line 1, delete "A municipality" and insert "The governing body of the city of Minneapolis"

Page 13, line 3, after the period, insert "If a registration ordinance is adopted,"

Page 13, line 5, delete "a municipality which requires registration"

Page 13, line 6, delete "pursuant to this section" and insert "Minneapolis"

Page 13, line 8, after "until" insert "a certified copy of the"

Page 13, line 9, after "filed" insert "annually"

Page 13, line 10, after the period, insert "No deduction shall be allowed for any period during which the property is not registered as required by the ordinance. In the event the period of non-compliance does not cover an entire taxable year, the deductions shall be denied at the rate of one-twelfth for each full month the property is not in compliance. The amount of the deduction denied shall not exceed the lesser of \$200 for each unregistered rental residential unit or \$2,000 for each building for any taxable year; provided that in no event shall the amount of the deduction denied be less than one twelfth of the sum of the deductions for interest and depreciation with respect to the prop-

erty.”

Page 13, lines 10, 19, 27 and 28, delete “municipality” and insert “city”

Page 13, line 12, delete “may” and insert “shall”

Page 13, line 14, delete “list”

Page 13, delete lines 15 and 16 and insert “notice of the restriction established in this section. If the deduction has been disallowed because of a negligent failure to file a copy of the certificate by a taxpayer who had filed a copy for a prior year, the taxpayer may file an amended return with a copy of the certificate and the deduction shall be allowed and the tax liability adjusted accordingly. Notice to taxpayers of the requirement for registration of rental housing property shall be included in the property tax statement for property located in a municipality which has enacted an ordinance under this section.”

Page 13, line 17, after “ordinance” insert “adopted”

Page 13, delete line 23 and insert “, except that property transferred or sold within or subsequent to that period, whether the sale is by warranty deed, quit-claim deed, contract for deed or any other method of sale”

Page 13, line 24, delete “property” and delete “60” and insert “20”

Page 13, line 26, after “valid” insert “for an owner”

Page 13, line 30, delete “A municipality which has adopted”

Page 13, line 31, delete “an ordinance under this section” and insert “The city”

Page 13, line 36, delete “(3)” and insert “(C)”

Page 14, line 1, delete “and” and after “registration” insert “; and (e) the date of the most recent purchase or transfer of the property”

Page 14, after line 1, insert:

“Sec. 4. [APPLICABILITY.]

*On its effective date this act shall apply to the city of Minneapolis.”*

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 2, delete “requiring” and insert “permitting the city of Minneapolis to require”

Page 1, line 5, delete “Section” and insert “Sections” and after the semicolon, insert “and 290.09, Subdivision 1.”

Page 1, delete lines 6 and 7

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S.F. No. 2155: A bill for an act relating to the city of Minneapolis; establishing uniformity in liquor licensing provisions applicable to nonprofit corporations within the city; amending Laws 1975, Chapter 305, Section 1.

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 340.11, Subdivision 11b, is amended to read:

Subd. 11b. [ON-SALE LICENSES TO CERTAIN NONPROFIT CORPORATIONS.] “On-sale” licenses for the sale of intoxicating liquor may, in the discretion of the municipality, be issued in ~~any~~ a city of the first class to ~~any~~ a nonprofit corporation which was organized prior to January 1, 1972 to promote, stimulate, and support community education, appreciation and development of the theater and cultural arts through dramatic performances and other means and which has operated a repertory theater in the city since at least January 1, 1972. ~~Such~~ The licenses may be issued notwithstanding any limitations imposed by law, charter or ordinance relating to liquor patrol limits, zoning, or school or church distance limitations ~~and such~~. The licenses shall be in excess of any limitations imposed by subdivision 6, ~~or otherwise 5a~~. The licenses shall authorize sales on all days of the week. All other laws, charter provisions, or ordinances relating to the licensing and regulation of on-sale liquor establishments, including the granting, renewal, suspension or revocation of licenses shall apply. ~~Any~~ A license issued pursuant to this subdivision shall authorize the sale of intoxicating liquor only to holders of tickets to dramatic performances presented by ~~such~~ the nonprofit corporation and members of ~~such~~ the nonprofit corporation and their guests.

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day after final enactment.”*

Delete the title and insert:

“A bill for an act relating to intoxicating liquor; providing that on-sale licenses issued to certain nonprofit corporations shall authorize sales on all days of the week; amending Minnesota Statutes 1980, Section 340.11, Subdivision 11b.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S.F. No. 2136: A bill for an act relating to insurance; increasing the percentage of the state comprehensive health plan premium that may be used to pay certain fees and expenses; amending Minnesota Statutes 1980, Section 62E.11, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike “87-1/2” and insert “85”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H.F. No. 623: A bill for an act relating to commerce; providing for an alternative method of meeting the organizational membership requirement for

the conducting of bingo occasions, operation of gambling devices, and conducting of raffles by organizations; amending Minnesota Statutes 1980, Sections 349.14; and 349.26, Subdivision 9.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 14 and 25, strike "30" and insert "10"

Page 1, lines 15 and 16, delete the new language

Page 1, line 26, delete the new language

Page 2, line 1, delete the new language

Amend the title as follows:

Page 1, line 2, delete "providing for an alternative"

Page 1, line 3, delete "method of meeting" and insert "lowering"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S.F. No. 1979: A bill for an act relating to intoxicating liquor; veteran's organization licenses in first class cities; amending Minnesota Statutes 1980, Section 340.11, Subdivision 11.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, strike "Such a" and insert "The"

Page 1, lines 22 and 23, strike "shall" and insert "must"

Page 1, line 25, strike "such"

Page 2, line 22, strike "which" and insert "that"

Amend the title as follows:

Page 1, line 2, delete "veteran's" and insert "veterans"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

H.F. No. 1751: A bill for an act relating to alcoholic beverages; increasing the maximum dollar value of equipment furnished to beer retailers by brewers and wholesalers; deleting obsolete language; amending Minnesota Statutes 1980, Sections 340.031, Subdivision 2; and 340.405.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

H.F. No. 776: A bill for an act relating to insurance; requiring private passenger vehicle insurers to disclose surcharge plans; prohibiting payment of certain claims unless notice is given to the insured; proposing new law coded in Minnesota Statutes, Chapter 65B.



Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, delete "*Base*" and insert "*Computed*"

Page 1, line 13, delete the first "*rate*"

Page 2, line 14, delete "*base*" and insert "*computed*"

Page 2, line 14, after "*premium*" insert "*or otherwise applicable*"

Page 3, delete section 2

Amend the title as follows:

Page 1, delete line 4

Page 1, line 5, delete "given to the insured;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H.F. No. 1710: A bill for an act relating to commerce; petroleum products; providing specifications for fuel oil sold as kerosene; amending Minnesota Statutes 1980, Section 296.05, Subdivision 2, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 3, after "*and*" insert "*flue-connected*"

Page 2, line 11, delete "*13/100*" and insert "*4/100*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S.F. No. 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.

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 82.20, Subdivision 9, is amended to read:

Subd. 9. [TERMINATIONS; TRANSFERS.] (a) *Except as provided in paragraph (b), when a salesperson terminates his activity on behalf of a broker, the salesperson's license shall be ineffective. Within ten days of such the termination the broker shall notify the commissioner in writing thereof, and shall return to the commissioner the license of the salesperson. The salesperson may make application apply for transfer of the license to another broker at any time during the remainder of the license period, on forms by completing the form provided by the commissioner along with the fee prescribed by this*

~~chapter~~ and paying the transfer fee. If the application for transfer qualifies, the commissioner shall grant the application. Upon receipt of a transfer application and payment of the transfer fee, the commissioner may issue a 45 day permit provisionally granting such transfer. If an application for transfer is not made within the license period, the commissioner shall require that an application for a new license be filed.

*(b) When a salesperson terminates his activity on behalf of a broker in order to begin association immediately with another broker, the commissioner shall permit the automatic transfer of the salesperson's license. The transfer shall be effective either upon the mailing of the required fee and the executed documents by certified mail or upon personal delivery of the fee and documents to the commissioner's office. The commissioner may adopt rules and prescribe forms as necessary to implement this paragraph.*

Amend the title as follows:

Page 1, delete lines 3 to 5 and insert "providing for the automatic transfer of a salesperson's license under certain"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

H.F. No. 1786: A bill for an act relating to agriculture; changing certain procedures relating to fertilizers and soil and plant amendments; imposing a penalty; amending Minnesota Statutes 1980, Sections 17.713, by adding a subdivision; 17.721, Subdivision 2; and 17.728, as amended; Minnesota Statutes 1981 Supplement, Sections 17.713, Subdivisions 8, 12, 17a, and 20; 17.714, Subdivision 2; 17.716, Subdivision 6; 17.719, Subdivision 1; and by adding a subdivision; 17.721, Subdivision 1; 17.725, Subdivision 1; and 17.726; proposing new law coded in Minnesota Statutes, Chapter 17.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 26, strike everything after "is"

Page 3, strike lines 27 and 28

Page 3, line 29, strike "those categories" and before the period, insert "exempt from all requirements of this chapter except the soil amendment labeling requirements of section 17.716 unless the sewage sludge meets the plant food content criteria for a commercial fertilizer in which case the sewage sludge will be considered a commercial fertilizer. A copy of the sewage sludge analysis required by the rules of the pollution control agency adopted under section 116.07, subdivision 4, is sufficient to meet the labeling requirements of section 17.716"

Page 4, line 23, delete "manufacturing" and insert "the manufacture"

Page 6, line 6, delete "in" and insert "for"

Page 6, line 7, delete "manufacturing" and insert "manufacture"

Page 8, line 21, delete "do"

Page 8, lines 23 and 24, delete "in the evasion or attempted evasion of" and

insert "to evade or attempt to evade"

Page 8, line 26, after "given" insert "an"

Page 9, line 5, delete "and prosecute"

Page 9, line 6, before "in" insert "and prosecution"

Page 9, after line 20, insert:

"Sec. 17. Minnesota Statutes 1981 Supplement, Section 116.07, Subdivision 4, is amended to read:

Subd. 4. [RULES AND STANDARDS.] Pursuant and subject to the provisions of chapter 15, and the provisions hereof, the pollution control agency may adopt, amend and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1969, Chapter 1046, for the prevention, abatement, or control of air pollution. Any such rule or standard may be of general application throughout the state, or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, rules or standards may relate to sources or emissions of air contamination or air pollution; to the quality or composition of such emissions, or to the quality of or composition of the ambient air or outdoor atmosphere or to any other matter relevant to the prevention, abatement, or control of air pollution.

Pursuant and subject to the provisions of chapter 15, and the provisions hereof, the pollution control agency may adopt, amend, and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1969, Chapter 1046, for the collection, transportation, storage, processing, and disposal of solid waste and the prevention, abatement, or control of water, air, and land pollution which may be related thereto, and the deposit in or on land of any other material that may tend to cause pollution. The agency shall adopt such rules and standards for sewage sludge, addressing the intrinsic suitability of land, the volume and rate of application of sewage sludge of various degrees of intrinsic hazard, design of facilities, and operation of facilities and sites. The agency shall promulgate temporary rules for sewage sludge pursuant to section 15.0412, subdivision 5. Notwithstanding the provisions of section 15.0412, subdivision 5, the temporary rules shall be effective until permanent rules are promulgated or March 1, 1982, whichever is earlier. Any such rule or standard may be of general application throughout the state or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, rules or standards may relate to collection, transportation, processing, disposal, equipment, location, procedures, methods, systems or techniques or to any other matter relevant to the prevention, abatement or control of water, air, and land pollution which may be advised through the control of collection, transportation, processing, and disposal of solid waste and sewage sludge, and the deposit in or on land of any other material that may tend to cause pollution. *By January 1, 1983, the rules for the management of sewage sludge shall include an analysis of the sewage sludge determined by the commissioner of agriculture to be necessary to meet the soil amendment labeling requirements of section 17.716.*

Pursuant and subject to the provisions of chapter 15, and the provisions hereof, the pollution control agency may adopt, amend and rescind rules and standards having the force of law relating to any purpose within the provisions

of Laws 1971, Chapter 727, for the prevention, abatement, or control of noise pollution. Any such rule or standard may be of general application throughout the state, or may be limited as to times, places, circumstances or conditions in order to make due allowances for variations therein. Without limitation, rules or standards may relate to sources or emissions of noise or noise pollution, to the quality or composition of noises in the natural environment, or to any other matter relevant to the prevention, abatement, or control of noise pollution.

As to any matters subject to this chapter, local units of government may set emission regulations with respect to stationary sources which are more stringent than those set by the pollution control agency.

Pursuant to chapter 15, the pollution control agency may adopt, amend, and rescind rules and standards having the force of law relating to any purpose within the provisions of this chapter for the management, identification, labeling, classification, storage, collection, treatment, transportation, processing, and disposal of hazardous waste and location of hazardous waste facilities. A rule or standard may be of general application throughout the state or may be limited as to time, places, circumstances, or conditions. The public utilities commission, in cooperation with the pollution control agency, shall set standards for the transportation of hazardous waste in accordance with chapter 221. In implementing its hazardous waste rules, the pollution control agency shall give high priority to providing planning and technical assistance to hazardous waste generators. The agency shall assist generators in investigating the availability and feasibility of both interim and long term hazardous waste management methods. The methods shall include waste reduction, waste separation, waste processing, resource recovery, and temporary storage.

The pollution control agency shall give highest priority in the consideration of permits to authorize disposal of diseased shade trees by open burning at designated sites to evidence concerning economic costs of transportation and disposal of diseased shade trees by alternative methods."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "requiring adoption of rules concerning analysis of sewage sludge;"

Page 1, line 11, delete "and" and before "proposing" insert "and 116.07, Subdivision 4;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

H.F. No. 1635: A bill for an act relating to state lands; authorizing sale and conveyance of a certain tract of state lands to Bethlehem Lutheran Church of Waskish, Minnesota.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, delete "*the property shall*"

Page 1, line 24, delete "*revert to the state*" and insert a comma

Page 1, line 24, delete "*it*" and insert "*the property*"

Page 1, line 25, after "purposes," insert "the state shall have an option for 180 days after notice to repurchase the property"

Page 1, line 25, delete "repayment" and insert "payment"

Page 1, line 25, delete "purchase"

Page 1, line 25, after "price" insert "paid by the church"

Page 1, after line 25, insert:

"Sec. 2. [RELEASE OF STATE INTERESTS IN CERTAIN PROPERTY IN McLEOD COUNTY.]

*Notwithstanding the provisions of Minnesota Statutes, Section 92.45, or any other law to the contrary, the commissioner of natural resources shall release and quitclaim to the city of Hutchinson, Minnesota, in a form approved by the attorney general, for a consideration of \$1,800, all right, title, and interest of the state acquired by eminent domain proceedings in McLeod County, as set forth in the Final Certificate approved by the McLeod County District Court on August 1, 1931, in regard to the following described property:*

*Parcel 1*

*Lot 1 of Block 2 of the Townsite of Hutchinson, South Half, according to the plat thereof on file or of record in the registry of deeds for said county.*

*Parcel 2*

*That part of the public street in the City of Hutchinson lying between Block 2 and Block 3 of said Townsite of Hutchinson, South Half, and between the Northeasterly bank of the Crow River and the south line of Washington Avenue.*

*Parcel 3*

*Lots numbered 1, 2, and 3 of Block 3, of said Townsite of Hutchinson, South Half.*

*Parcel 4*

*Lot 1 of Block 3 of said Townsite of Hutchinson, South Half.*

*Parcel 5*

*That part of the public street in the said City of Hutchinson known as Washington Avenue lying between Block 3 of said townsite, South Half, and Blocks 17 and 18 of said townsite, North Half, and between the Northeasterly bank of said Crow River and the south line of the public street in said city known as Fourth Avenue North.*

*Parcel 6*

*That part of Block 17 of the Townsite of Hutchinson, North Half, according to the plat thereof on file or of record in the Registry of Deeds for said county, lying south of the right of way of the Minnesota Western Railroad Company.*

*Parcel 7*

*That part of the public street in the City of Hutchinson known as High Street lying between Block 17 and Block 18 of said Townsite of Hutchinson, North Half, and between the north line of the public street in said city known as*

*Washington Avenue and the south line of the right of way of the Minnesota Western Railroad Company.*

*Parcel 8*

*That part of Block 18 of said Townsite of Hutchinson, North Half, lying south of the right of way of the Minnesota Western Railroad Company.*

*Parcel 9*

*That part of the public street in the City of Hutchinson lying between Block 18 and Block 19 of said Townsite of Hutchinson, North Half, and between the northeasterly bank of said Crow River and the southwesterly line of the right of way of the Minnesota Western Railroad Company.*

*Parcel 10*

*That part of Block 19 of said Townsite of Hutchinson, North Half, lying south of the right of way of the Minnesota Western Railroad Company.*

*Parcel 11*

*That part of the public street in the City of Hutchinson known as Prospect Street lying between Block 19 and Block 20 of said Townsite of Hutchinson, North Half, and between the northeasterly bank of the Crow River and the southwesterly line of the right of way of the Minnesota Western Railroad Company.*

*Parcel 12*

*The parts of Lots numbered 1, 2, 3, 4, and 5, of Block 20, of said Townsite of Hutchinson, North Half, lying south of the right of way of the Minnesota Western Railroad Company.*

*Parcel 13*

*The South 1 rod of Lot 7, and all of Lots 8 and 9 of Block 20, of said Townsite of Hutchinson, North Half.*

*Parcel 14*

*The East Half of that part of the public street in the City of Hutchinson known as Main Street abutting on the lands described as Parcel 13, and the West Half of said street abutting on all of Block 30 of said townsite, except the North 41.2 feet thereof.*

*Parcel 15*

*All of Block 30 of said Townsite of Hutchinson, North Half, except the portion thereof bounded by a line beginning at the northeast corner of said Block 30, as marked by a steel shaft 1-1/8 inches by 30 inches; thence South along the East line of said Block 30, 41.2 feet; thence North 89 degrees and 50 minutes West 22.95 feet to the northwest corner of an artesian well curbing; thence South 1 degree and 48 minutes West 43.2 feet; thence South 89 degrees and 48 minutes West along the south line of the main Mill building situated on said Block 30, 78.55 feet to a point 6 feet West of the southwest corner of the said main Mill building; thence North no degrees and 3 minutes West 20.9 feet; thence South 89 degrees and 42 minutes West 18 feet; thence North no degrees and 22 minutes West 36.3 feet; thence North 88 degrees and 22 minutes West 27.1 feet; thence North 27.3 feet to the North line of said Block 30; thence*

South 89 degrees and 46 minutes East along the north line of said Block 30, 148.4 feet to point of beginning, and subject to the rights heretofore reserved by Thomas Moran and Theresa Moran, his wife, their heirs and assigns, to the exclusive use and occupancy of the coal shed situated on said premises for a period of ten years from and after August 20, 1925, and to maintain a water connection to said Mill building with the artesian well on said lands through a three-fourths inch iron pipe, the same to be wholly kept up and maintained by said Thomas Moran and Theresa Moran, their heirs and assigns, but including the water power site, together with the certain dam across the Crow River located in part thereon, the right to maintain said dam at its present height, and all water and flowage rights thereunto appertaining.

Sec. 3. [LAND CONVEYANCE; SAUK CENTRE.]

*In order to conform the legal description of state owned lands to the lands as occupied, the commissioner of administration upon the recommendation of the commissioner of corrections, may convey to Sophie Pettit by quitclaim deed in a form approved by the attorney general, for a consideration of \$100, a parcel of state owned land comprising approximately .07 acre located and being a part of the Minnesota correctional facility at Sauk Centre. The commissioner of administration shall prepare a legal description of the land to be conveyed.*

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period, insert “; directing the conveyance of the state’s interest in certain real property in McLeod County to the city of Hutchinson; authorizing the conveyance of certain lands at the Sauk Centre correctional facility”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1577: A bill for an act relating to game and fish; authorizing special permits to take deer with a crossbow under certain circumstances; amending Minnesota Statutes 1980, Sections 98.48; by adding a subdivision; and 100.29, Subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, delete “holders of current licenses” and insert “any holder of a current license”

Page 1, line 14, delete “are established” and insert “establishes”

Page 1, line 15, delete “, to be” and insert “that the license holder is”

Page 1, line 15, delete “operate a”

Page 1, line 16, delete “manually pulled bow” and insert “hunt in any other manner”

Page 1, line 17, delete “Crossbows” and insert “A crossbow”

Page 1, line 18, delete “shall meet all of the following specifications” and

insert "must"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 685: A bill for an act relating to crimes; providing photographic records of evidence shall be admissible as evidence; providing for the return of stolen property; proposing new law coded in Minnesota Statutes, Chapter 609.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [609.523] [RETURN OF STOLEN PROPERTY TO OWNERS.]

*Subdivision 1. [PHOTOGRAPHIC RECORD.] Photographs of property, as defined in section 609.52, subdivision 1, over which a person is alleged to have exerted unauthorized control or to have otherwise obtained unlawfully, are competent evidence if the photographs are admissible into evidence under all rules of law governing the admissibility of photographs into evidence. The photographic record, when satisfactorily identified, is as admissible in evidence as the property itself.*

*Subd. 2. [RECORD OF PROPERTY.] The photographs may bear a written description of the property alleged to have been wrongfully taken, the name of the owner of the property taken, the name of the accused, the name of the arresting law enforcement officer, the date of the photograph, and the signature of the photographer.*

*Subd. 3. [RETURN OF PROPERTY.] Upon approval of the prosecuting attorney and, if the charge is a felony, with seven days notice to the defendant, a law enforcement agency which is holding property over which a person is alleged to have exerted unauthorized control or to have otherwise obtained unlawfully may return that property to its owner if:*

*(a) The appropriately identified photographs are filed and retained by the law enforcement agency;*

*(b) Satisfactory proof of ownership of the property is shown by the owner;*

*(c) A declaration of ownership is signed under penalty of perjury; and*

*(d) A receipt for the property is obtained from the owner upon delivery by the law enforcement agency."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 1546: A bill for an act relating to juveniles; providing for the detention of juveniles for whom a motion to refer for prosecution is pending before the court; amending Minnesota Statutes 1980, Section 260.173, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 16, before "for" insert "to refer"

And when so amended the bill do pass. Amendments adopted. Report



adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S.F. No. 1834: A bill for an act relating to human rights; including sexual harassment as a form of unfair discriminatory practices for certain purposes; amending Minnesota Statutes 1980, Section 363.01, Subdivision 10, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 7, after "environment" insert "; and in the case of employment, the employer knows or should know of the existence of the harassment and fails to take timely and appropriate action"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S.F. No. 1707: A bill for an act relating to crimes; expanding criminal responsibility of certain recipients of stolen property; modifying penalties for receiving stolen property; expanding definition of "burglary"; amending Minnesota Statutes 1980, Sections 609.53, Subdivisions 1 and 3; and 609.58, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 609.53, Subdivisions 1a and 4; repealing Minnesota Statutes 1980, Section 609.53, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 609.53, Subdivision 2a.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, after "1." insert "[PENALTY.]"

Page 1, line 23, reinstate "ten" and delete "20"

Page 1, line 24, reinstate "\$10,000" and delete "\$20,000"

Page 1, line 28, delete "ten" and insert "five"

Page 1, line 28, delete "\$10,000" and insert "\$5,000"

Page 2, line 7, after "1a." insert "[PENALTY.]"

Page 2, line 16, reinstate "ten" and delete "20"

Page 2, line 20, delete "ten" and insert "five"

Page 2, line 27, after "3." insert "[SUBSEQUENT OFFENSE.]"

Page 2, delete line 31

Page 3, line 3, after "4." insert "[CIVIL ACTION; TREBLE DAMAGES.]"

Page 3, lines 14, 17, 24, 29, and 33, strike "therein" and insert "in it"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was re-referred

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.

Reports the same back with the recommendation that the bill be amended as

follows:

Delete everything after the enacting clause and insert:

**"Section 1. [216B.166] [ELECTRIC COOPERATIVE SHAREHOLDER RIGHTS.]**

*Subdivision 1. [SCOPE.] Cooperative associations organized under chapter 308 for the purpose of providing rural electrification at retail to ultimate consumers shall comply with the provisions of this section in addition to other applicable provisions of chapter 308 and other applicable state and federal laws.*

*Subd. 2. [ROLL CALL VOTES; BUSINESS RECORDS.] The provisions of section 302A.461 shall apply to every wholesale or retail cooperative electric association. The rights granted to wholesale and retail electric cooperative stockholders in this section shall apply also to the spouse of the stockholder. In addition to the requirements of section 302A.461, a wholesale or retail electric cooperative shall maintain records of all proceedings of meetings of stockholders and directors during the previous three year period including the vote of each director on roll call votes. Roll call votes are required on actions establishing service charge and rate schedules. Roll call voting shall also be required on any matter upon the request of one or more directors. Every duly elected director of a retail cooperative electric association shall have the right to inspect pursuant to section 302A.461 in person and at any reasonable time the business records required by this subdivision that are maintained by the wholesale cooperative electric association from which it purchases the majority of its electric requirements."*

Amend the title as follows:

Page 1, line 2, delete "for rights of" and insert "access to cooperative electric associations;"

Page 1, delete line 3

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 1068: A bill for an act relating to adoption; providing for record retention; providing for services by adoption agencies; proposing new law coded in Minnesota Statutes, Chapter 259.

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 144.1761, Subdivision 1, is amended to read:**

*Subdivision 1. [REQUEST.] Whenever an adopted person who is 24 years of age or over may request requests the state registrar to disclose the information on the adopted person's original birth certificate, the state registrar shall, within five days of receipt of the request, notify the commissioner of public welfare in writing of the request by the adopted person act in accordance with the provisions of section 5.*

**Sec. 2. [259.46] [ADOPTION RECORDS.]**

*Subdivision 1. [CONTENT.] The adoption records of the commissioner, his*

agents and licensed child placing agencies shall contain copies of all relevant legal documents, responsibly collected genetic, medical and social history of the child and his genetic parents, the child's placement record, copies of all pertinent agreements, contracts, and correspondence relevant to the adoption, and copies of all reports and recommendations made to the court. Identifying information contained in the adoption record shall be confidential and shall be disclosed only pursuant to section 259.31.

Subd. 2. [USE.] Each adoption record shall constitute the permanent record upon which court action is based and agency services are administered.

Subd. 3. [RETENTION.] All adoption records shall be retained on a permanent basis under a protected record system which ensures confidentiality and lasting preservation.

### Sec. 3. [259.47] [POST-ADOPTION SERVICES.]

Subdivision 1. [SERVICES PROVIDED.] Agencies shall provide assistance and counseling services upon receiving a request for current information from adoptive parents, genetic parents, or adopted persons aged 19 years and over. The agency shall contact the other adult persons or the adoptive parents of a minor child in a personal and confidential manner to determine whether there is a desire to receive or share information or to have contact. If there is such a desire, the agency shall provide the services requested. The agency shall provide services to adult genetic siblings if there is no known violation of the confidentiality of a genetic parent or if the genetic parent gives written consent.

Subd. 2. [HEALTH INFORMATION.] When the agency receives information about a medical or genetic condition which has affected or may affect the physical or mental health of genetically related persons, the agency shall make a diligent effort to contact those persons in order to transmit the health information.

Subd. 3. [IDENTIFYING INFORMATION.] In agency adoptive placements made on and after August 1, 1982, the agency responsible for the placement shall obtain from the genetic parents named on the original birth certificate an affidavit attesting to the following:

(a) That the genetic parent has been informed of the right of the adopted person at the age specified in section 5 to request from the agency the name, last known address, birthdate and birthplace of the genetic parents named on the adopted person's original birth certificate;

(b) That each genetic parent may file in the agency record an affidavit objecting to the release of any or all of the information listed in clause (a) about that genetic parent, and only about himself, to the adopted person;

(c) That if the genetic parent does not file an affidavit objecting to release of information before the adopted person reaches the age specified in section 5, the agency will provide the adopted person with the information upon request;

(d) That notwithstanding the filing of an affidavit, the adopted person may petition the court pursuant to section 259.31 for release of identifying information about a genetic parent;

(e) That the genetic parent shall then have the opportunity to present evidence to the court that nondisclosure of identifying information is of greater benefit to the genetic parent than disclosure to the adopted person; and

(f) That any objection filed by the genetic parent shall become invalid when withdrawn by the genetic parent or when the genetic parent dies. Upon receipt

of a death certificate for the genetic parent, the agency shall release the identifying information to the adopted person if requested.

*Subd. 4. [CONFIDENTIALITY.] Agencies shall provide adoptive parents, genetic parents and adult siblings, and adopted persons aged 19 years and over reasonable assistance in a manner consistent with state and federal laws, rules, and regulations regarding the confidentiality and privacy of child welfare and adoption records.*

*Subd. 5. [CHARGES.] Agencies may require a reasonable expense reimbursement for providing services required in this section.*

**Sec. 4. [259.48] [RULES.]**

*The commissioner of public welfare shall make rules as necessary to administer sections 2 and 3.*

**Sec. 5. [259.49] [ACCESS TO ADOPTION RECORDS.]**

*Subdivision 1. [REQUEST.] An adopted person who is 21 years of age or over may request the commissioner of health to disclose the information on the adopted person's original birth certificate. The commissioner of health shall, within five days of receipt of the request, notify the commissioner of public welfare in writing of the request by the adopted person.*

*Subd. 2. [SEARCH.] Within six months after receiving notice of the request of the adopted person, the commissioner of public welfare shall make complete and reasonable efforts to notify each parent identified on the original birth certificate of the adopted person. The commissioner may charge a reasonable fee to the adopted person for the cost of making a search pursuant to this subdivision. Every licensed child placing agency in the state shall cooperate with the commissioner of public welfare in his efforts to notify an identified parent. All communications under this subdivision are confidential pursuant to section 15.162, subdivision 2a.*

*For purposes of this subdivision, "notify" means a personal and confidential contact with the genetic parents named on the original birth certificate of the adopted person. The contact shall not be by mail and shall be by an employee or agent of the licensed child placing agency which processed the pertinent adoption or some other licensed child placing agency designated by the commissioner of public welfare. The contact shall be evidenced by filing with the commissioner of health an affidavit of notification executed by the person who notified each parent certifying that each parent was given the following information:*

- (a) The nature of the information requested by the adopted person;*
- (b) The date of the request of the adopted person;*
- (c) The right of the parent to file, within 120 days of receipt of the notice, an affidavit with the commissioner of health stating that the information on the original birth certificate should not be disclosed;*
- (d) The right of the parent to file a consent to disclosure with the commissioner of health at any time; and*
- (e) The effect of a failure of the parent to file either a consent to disclosure or an affidavit stating that the information on the original birth certificate should not be disclosed.*

*Subd. 3. [FAILURE TO NOTIFY PARENT.] If the commissioner of public welfare certifies to the commissioner of health that he has been unable to notify*

a parent identified on the original birth certificate within six months, and if neither identified parent has at any time filed an unrevoked consent to disclosure with the commissioner of health, the information may be disclosed as follows:

(a) If the person was adopted prior to August 1, 1977, he may petition the appropriate court for disclosure of his original birth certificate pursuant to section 259.31, and the court shall grant the petition if, after consideration of the interests of all known persons involved, the court determines that disclosure of the information would be of greater benefit than nondisclosure.

(b) If the person was adopted on or after August 1, 1977, the commissioner of health shall release the requested information to the adopted person.

If either parent identified on the birth certificate has at any time filed with the commissioner of health an unrevoked affidavit stating that the information on the original birth certificate should not be disclosed, the commissioner of health shall not disclose the information to the adopted person until the affidavit is revoked by the filing of a consent to disclosure by that parent.

*Subd. 4. [RELEASE OF INFORMATION AFTER NOTICE.]* If, within six months, the commissioner of public welfare certifies to the commissioner of health that he has notified each parent identified on the original birth certificate pursuant to subdivision 2, the commissioner of health shall disclose the information requested by the adopted person 121 days after the date of the latest notice to either parent. This disclosure will occur if, at any time during the 121 days both of the parents identified on the original birth certificate have filed a consent to disclosure with the commissioner of health and neither consent to disclosure has been revoked by the subsequent filing by a parent of an affidavit stating that the information should not be disclosed.

*Subd. 5. [DEATH OF PARENT.]* Notwithstanding the provisions of subdivisions 3 and 4, if a parent named on the original birth certificate of an adopted person has died, and at any time prior to his death the parent has filed an unrevoked affidavit with the commissioner of health stating that the information on the original birth certificate should not be disclosed, the adopted person may petition the court of original jurisdiction of the adoption proceeding for disclosure of his original birth certificate pursuant to section 259.31. The court shall grant the petition if, after consideration of the interests of all known persons involved, the court determines that disclosure of the information would be of greater benefit than nondisclosure.

#### Sec. 6. [REPEALER.]

*Minnesota Statutes 1980, Section 144.1761, Subdivisions 2, 3, 4, and 5, are repealed."*

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "recodifying law relating to access to adoption records into another chapter; amending Minnesota Statutes 1980, Section 144.1761, Subdivision 1;"

Page 1, line 4, before the period, insert "repealing Minnesota Statutes 1980, Section 144.1761, Subdivisions 2, 3, 4, and 5"

And when so amended the bill do pass. Amendments adopted. Report

adopted.

Mr. Wegener from the Committee on Local Government and Urban Affairs, to which was referred the following appointment as reported in the Journal for February 15, 1982:

**MINNESOTA MUNICIPAL BOARD**

Kenneth Sette

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.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which were referred

H.F. Nos. 1622 and 1336 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.
1622	1535				
1336	1052				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1622 be amended as follows:

Page 1, delete lines 7 to 15, and insert:

*"The commissioner of administration shall convey that parcel of land consisting of the tracts described in clauses (a), (b) and (c) to the Mankato State University Foundation Inc., for not less than 20 percent of the appraised value of the entire parcel as determined by the commissioner pursuant to Minnesota Statutes, Section 94.10, Subdivision 1. The sale may be made on the terms provided in Minnesota Statutes, Section 94.11. The tract shall be conveyed by instruments approved by the attorney general.*

*(a) That tract of land described as:"*

Page 2, delete lines 24 to 36

Page 3, delete lines 1 to 33, and insert:

*"(b) Subdivision 3.1. A tract of land situate in the North 60 acres of the SW 1/4 of Sec. 20-108-26, described as follows, to-wit: Beginning at the Northwest corner of the SW 1/4 of said Section; thence East on the East and West quarter line of said Section, 475 feet; thence South parallel with the West line of said Section, 205.85 feet; thence West parallel with said East and West quarter line, 293.6 feet; thence South 181.4 feet; thence West parallel with said quarter line, 181.4 feet to the West line of said Section 20; thence North on said line, 387.25 feet to the point of beginning, containing 3 acres, more or less.*

*(c) Subdivision 3.2. Beginning at a point 982 feet South of the East and West 1/4 line and 970.10 feet West of the North and South 1/4 line of Section 20, Township 108 North, Range 26 West; thence North 35 degrees, 7 minutes West*

831.95 feet; thence South 36 degrees, 52 minutes West, 855.5 feet; thence East parallel with the East and West 1/4 line of said Section 991.84 feet to the point of beginning, containing 7.74 acres, more or less.

Sec. 2. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*

Amend the title as follows:

Page 1, line 3, after "ownership" delete everything before the period and insert "of certain state land to the Mankato State University Foundation"

And when so amended H.F. No. 1622 will be identical to S.F. No. 1535, and further recommends that H.F. No. 1622 be given its second reading and substituted for S.F. No. 1535, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1336 be amended as follows:

Page 5, line 24, after "1982" insert a comma

Amend the title as follows:

Page 1, line 6, delete "and"

And when so amended H.F. No. 1336 will be identical to S.F. No. 1052, and further recommends that H.F. No. 1336 be given its second reading and substituted for S.F. No. 1052, 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. 1487, 1767, 1610, 1993, 2155, 2136, 1979, 1411, 1577, 1834 and 1707 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 1579, 1602, 1430, 1589, 1185, 623, 1751, 776, 1710, 1786, 1635, 685, 1546, 403, 1068, 1622 and 1336 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Davis moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 1527. The motion prevailed.

Mr. Stern moved that his name be stricken as a co-author to S.F. No. 2059. The motion prevailed.

Mr. Tennesen moved that H.F. No. 2077 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 2136, now on General Orders. The motion prevailed.

Mr. Tennesen moved that H.F. No. 2134 be withdrawn from the Commit-

tee on Commerce and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 2155, now on General Orders. The motion prevailed.

Mr. Merriam moved that H.F. No. 1915 be withdrawn from the Committee on Agriculture and Natural Resources and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 1763. The motion prevailed.

### CALENDAR

H.F. No. 1700: A bill for an act relating to the military; prohibiting entry to Camp Ripley without authorization of the adjutant general; imposing a penalty; amending Minnesota Statutes 1980, Sections 609.60 and 609.605.

Was read the third time 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	Peterson, R. W.	Stern
Bang	Engler	Lindgren	Petty	Stokowski
Belanger	Frank	Luther	Pillsbury	Stumpf
Benson	Frederick	Menning	Purfeerst	Taylor
Berg	Frederickson	Merriam	Ramstad	Tennessee
Berglin	Hanson	Moe, D. M.	Renneke	Ulland
Bernhagen	Johnson	Moe, R. D.	Rued	Vega
Bertram	Kamrath	Nelson	Schmitz	Waldorf
Brataas	Knoll	Olhoft	Setzepfandt	Willet
Dahl	Knutson	Pehler	Sieloff	
Davies	Kroening	Penny	Sikorski	
Davis	Kronebusch	Peterson, C. C.	Solon	
Dicklich	Langseth	Peterson, D. L.	Spear	

So the bill passed and its title was agreed to.

H.F. No. 1725: A bill for an act relating to the military; increasing the minimum pay for enlisted personnel called into active service; amending Minnesota Statutes 1980, Section 192.51, 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Penny	Sieloff
Bang	Dieterich	Langseth	Peterson, C. C.	Sikorski
Belanger	Engler	Lantry	Peterson, D. L.	Solon
Benson	Frank	Lessard	Peterson, R. W.	Spear
Berg	Frederick	Lindgren	Petty	Stern
Berglin	Frederickson	Luther	Pillsbury	Stokowski
Bernhagen	Hanson	Menning	Purfeerst	Stumpf
Bertram	Johnson	Merriam	Ramstad	Taylor
Brataas	Kamrath	Moe, R. D.	Renneke	Tennessee
Chmielewski	Knoll	Nelson	Rued	Ulland
Dahl	Knutson	Olhoft	Schmitz	Vega
Davis	Kroening	Pehler	Setzepfandt	Waldorf

So the bill passed and its title was agreed to.



H.F. No. 1747: A bill for an act relating to the city of Minneapolis; providing for the security for certain rehabilitation loans; amending Laws 1977, Chapter 138, Section 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 2; as follows:

Those who voted in the affirmative were:

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	Johnson	Moe, D. M.	Ramstad	Tennessee
Brataas	Kamrath	Moe, R. D.	Renneke	Ulland
Chmielewski	Knoll	Nelson	Rued	Vega
Dahl	Knutson	Olhoft	Schmitz	Waldorf
Davis	Kroening	Pehler	Sieloff	Willet
Dicklich	Kronebusch	Penny	Sikorski	

Messrs. Davies and Merriam voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1804: A bill for an act relating to local government; specifying the extent of the tax on aggregate materials; authorizing counties imposing a gravel tax under local law to elect to impose an aggregate material tax under general law; providing that Clay county may levy a gravel tax of up to ten cents per cubic yard; amending Minnesota Statutes 1980, Section 298.75, Subdivisions 5 and 6; Minnesota Statutes 1981 Supplement, Sections 298.75, Subdivisions 1 and 2; 298.76; and 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 59 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Dicklich	Kronebusch	Pehler	Solon
Belanger	Dieterich	Langseth	Penny	Spear
Benson	Engler	Lantry	Peterson, C. C.	Stern
Berg	Frank	Lessard	Peterson, D. L.	Stokowski
Berglin	Frederick	Lindgren	Peterson, R. W.	Stumpf
Bernhagen	Frederickson	Luther	Petty	Taylor
Bertram	Hanson	Menning	Pillsbury	Tennessee
Brataas	Johnson	Merriam	Purfeerst	Ulland
Chmielewski	Kamrath	Moe, D. M.	Ramstad	Vega
Dahl	Knoll	Moe, R. D.	Renneke	Waldorf
Davis	Knutson	Nelson	Seizepfandt	Willet
Davis	Kroening	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1613: A bill for an act relating to state departments and agencies; regulating the disposition of certain land within the capitol area; amending Minnesota Statutes 1981 Supplement, 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 61 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	Ramstad	Tennessee
Berglin	Hanson	Merriam	Renneke	Ulland
Bernhagen	Johnson	Moe, D. M.	Rued	Vega
Bertram	Kamrath	Moe, R. D.	Schmitz	Waldorf
Chmielewski	Knoll	Nelson	Setzepfandt	Willet
Dahl	Knutson	Olhoft	Sieloff	
Davies	Kroening	Pehler	Sikorski	
Davis	Kronebusch	Penny	Solon	
Dicklich	Langseth	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1635: A bill for an act relating to education; modifying provisions governing school districts financial statements; amending Minnesota Statutes 1980, Section 121.908, 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

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	Tennessee
Bernhagen	Hanson	Moe, D. M.	Renneke	Ulland
Bertram	Humphrey	Moe, R. D.	Rued	Vega
Brataas	Johnson	Nelson	Schmitz	Waldorf
Chmielewski	Kamrath	Olhoft	Setzepfandt	Willet
Dahl	Knutson	Pehler	Sieloff	
Davies	Kroening	Penny	Sikorski	
Davis	Kronebusch	Peterson, C.C.	Solon	

So the bill passed and its title was agreed to.

S.F. No. 1698: A bill for an act relating to education; removing the requirement of commissioner of education's approval when the proceeds of the capital expenditure levy are used to rent or lease buildings for school purposes; removing general procedures requiring and governing commissioner of education's approval of contracts for rental of school rooms, buildings or other facilities; authorizing the use of capital expenditure funds; amending Minnesota Statutes 1980, Section 123.78, Subdivision 1; Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 11a; repealing Minnesota Statutes 1980, Section 123.37, Subdivisions 3 to 14.

Mr. Dieterich moved that S.F. No. 1698 be stricken from the Calendar and placed at the top of General Orders. The motion prevailed.

S.F. No. 1715: A bill for an act relating to the city of Minneapolis; provid-

ing duties of the civil service commission; providing for positions in the unclassified service; permitting the city to change the name of the housing and redevelopment authority; permitting the transfer of certain employees to employment of the housing and redevelopment authority; establishing terms for transfer of the employees; permitting certain employees to purchase service credit from the Minneapolis employees retirement fund; amending Laws 1969, Chapter 937, Section 1, Subdivision 1, as amended, and by adding subdivisions; and Laws 1980, Chapter 595, Section 2, Subdivision 1 and Section 3, by adding a subdivision.

Mr. Lindgren moved that S.F. No. 1715 be stricken from the Calendar and placed at the top of General Orders.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 35 and nays 15, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Knoll	Nelson	Sieloff
Berg	Engler	Knutson	Olhoft	Solon
Bertram	Frank	Kroening	Pehler	Stokowski
Brataas	Frederick	Langseth	Peterson, D. L.	Stumpf
Chmielewski	Frederickson	Lindgren	Pillsbury	Vega
Dahl	Johnson	Moe, D. M.	Ramstad	Waldorf
Davis	Kamrath	Moe, R. D.	Schmitz	Willet

Those who voted in the negative were:

Belanger	Dieterich	Penny	Rued	Taylor
Benson	Menning	Peterson, R. W.	Setzepfandt	Tennessen
Berglin	Merriam	Petty	Spear	Ulland

The motion prevailed.

S.F. No. 1821: A bill for an act relating to community corrections; clarifying and harmonizing the provisions of Minnesota Statutes relating to the administrative structure of participating counties, the composition of the corrections advisory board, the powers of probation officers, and the powers and duties of the commissioner of corrections; amending Minnesota Statutes 1980, Sections 401.01, Subdivision 2; 401.02, Subdivisions 1, 3, and 4; 401.06; 401.08, Subdivisions 1 and 2; and 401.13.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Peterson, C. C.	Spear
Bang	Engler	Lantry	Peterson, D. L.	Stern
Belanger	Frank	Lessard	Peterson, R. W.	Stokowski
Benson	Frederick	Lindgren	Petty	Stumpf
Berg	Frederickson	Luther	Pillsbury	Taylor
Berglin	Hanson	Menning	Purfeerst	Tennessen
Bernhagen	Humphrey	Merriam	Ramstad	Ulland
Bertram	Johnson	Moe, D. M.	Renneke	Vega
Brataas	Kamrath	Moe, R. D.	Rued	Waldorf
Chmielewski	Knoll	Nelson	Setzepfandt	Willet
Dahl	Knutson	Olhoft	Sieloff	
Davis	Kroening	Pehler	Sikorski	
Dicklich	Kronebusch	Penny	Solon	

So the bill passed and its title was agreed to.

S.F. No. 1910: A bill for an act relating to public welfare; requiring preadmission screening for patients entering nursing homes from hospitals; allowing hospital discharge planners to attend certain preadmission screening assessments; allowing recipient choice between long term care and alternative care; modifying cost limits for alternative care; amending Minnesota Statutes 1980, Section 256B.091, Subdivisions 2, 4, and 6; and Minnesota Statutes 1981 Supplement, Section 256B.091, Subdivision 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 50 and nays 9, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Kronebusch	Pehler	Sikorski
Bang	Dicklich	Langseth	Penny	Solon
Belanger	Dieterich	Lantry	Peterson, R. W.	Stern
Berg	Engler	Lessard	Petty	Stokowski
Berglin	Frank	Luther	Pillsbury	Stumpf
Bernhagen	Hanson	Menning	Purfeerst	Tennessee
Bertram	Humphrey	Merriam	Ramstad	Ulland
Brataas	Johnson	Moe, R. D.	Renneke	Vega
Chmielewski	Knoll	Nelson	Schmitz	Waldorf
Dahl	Kroening	Olhoft	Sieloff	Willet

Those who voted in the negative were:

Benson	Kamrath	Lindgren	Peterson, D. L.	Setzepfandt
Frederickson	Knutson	Peterson, C. C.	Rued	

So the bill passed and its title was agreed to.

S.F. No. 1713: A bill for an act relating to transportation; providing for the coordination and regulation of special transportation services; amending Minnesota Statutes 1980, Sections 174.29 and 174.30.

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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Penny	Sikorski
Bang	Engler	Langseth	Peterson, C. C.	Solon
Belanger	Frank	Lantry	Peterson, R. W.	Spear
Benson	Frederick	Lessard	Petty	Stern
Berg	Frederickson	Luther	Pillsbury	Stokowski
Berglin	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Humphrey	Merriam	Ramstad	Taylor
Bertram	Johnson	Moe, D. M.	Renneke	Tennessee
Chmielewski	Kamrath	Moe, R. D.	Rued	Ulland
Dahl	Knoll	Nelson	Schmitz	Vega
Davis	Knutson	Olhoft	Setzepfandt	Waldorf
Dicklich	Kroening	Pehler	Sieloff	Willet

So the bill passed and its title was agreed to.

S.F. No. 1566: A bill for an act relating to the environment; expediting the receipt of federal moneys for emergency response to hazardous waste releases; expediting the variance issuance procedures of the pollution control agency;

amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; and 116.07, 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Dieterich	Lantry	Peterson, C.C.	Sikorski
Belanger	Engler	Lessard	Peterson, D.L.	Solon
Benson	Frank	Lindgren	Peterson, R.W.	Spear
Berg	Frederick	Luther	Petty	Stern
Berglin	Frederickson	Menning	Pillsbury	Stokowski
Bernhagen	Humphrey	Merriam	Purfeerst	Stumpf
Bertram	Johnson	Moe, D. M.	Ramstad	Taylor
Brataas	Kamrath	Moe, R. D.	Renneke	Tennessee
Chmielewski	Knoll	Nelson	Rued	Ulland
Dahl	Knutson	Olhoft	Schmitz	Vega
Davis	Kroening	Pehler	Setzepfand	Waldorf
Dicklich	Langseth	Penny	Sieloff	Willet

So the bill passed and its title was agreed to.

S.F. No. 1602: A bill for an act relating to animals; eliminating certain licensing and registration requirements; repealing Minnesota Statutes 1980, Section 35.695.

Was read the third time 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.	Spear
Belanger	Frank	Lessard	Peterson, R.W.	Stern
Benson	Frederick	Lindgren	Petty	Stokowski
Berg	Frederickson	Luther	Pillsbury	Stumpf
Berglin	Hanson	Menning	Purfeerst	Taylor
Bernhagen	Humphrey	Merriam	Ramstad	Tennessee
Bertram	Johnson	Moe, D. M.	Renneke	Ulland
Brataas	Kamrath	Moe, R. D.	Rued	Vega
Chmielewski	Knoll	Nelson	Schmitz	Waldorf
Dahl	Knutson	Olhoft	Setzepfand	Willet
Davis	Kroening	Pehler	Sieloff	
Dicklich	Kronebusch	Penny	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1766: A bill for an act relating to taxation; making technical corrections and administrative changes to the income tax and property tax refund; amending Minnesota Statutes 1980, Sections 290.012, Subdivision 2; 290.02; 290.03; 290.032, Subdivision 5; 290.06, Subdivisions 9 and 9a; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivision 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.36; 290.45, Subdivision 1; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.53, by adding a subdivision; 290.65, Subdivisions 9 and 11; 290.91;

290.92, Subdivision 13; 290.93, Subdivision 9; 290.936; 290A.11, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Sections 270.075, Subdivisions 4 and 5, as amended; 290.01, Subdivisions 20, as amended, and 27; 290.05, Subdivisions 1 and 4; 290.075; 290.081; 290.09, Subdivisions 4, and 15; 290.091, as amended; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.18, Subdivisions 1 and 2; 290.21, Subdivision 3; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.92, Subdivisions 2a, 5, 5a, and 6; 290.93, Subdivisions 1 and 10; 290.9725; 290.974; 290A.03, Subdivisions 3 and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; Laws 1981, Third Special Session Chapter 2, Article III, Section 6, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 290; repealing Minnesota Statutes 1980, Sections 62E.03, Subdivision 2; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.973; and Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6; 290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; and 290.971, Subdivision 7.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, 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
Berglin	Hanson	Menning	Purfeerst	Taylor
Bernhagen	Humphrey	Merriam	Ramstad	Tennessee
Bertram	Johnson	Moe, D. M.	Renneke	Ulland
Brataas	Kamrath	Moe, R. D.	Rued	Vega
Chmielewski	Knoll	Nelson	Schmitz	Waldorf
Dahl	Knutson	Olhoft	Setzepfandt	Willet
Davis	Kroening	Pehler	Sieloff	
Dicklich	Kronebusch	Penny	Sikorski	

So the bill passed and its title was agreed to.

## INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Johnson introduced—

S.F. No. 2192: A bill for an act relating to malt beverages; requiring identification of kegs and purchasers thereof; proposing new law coded in Minnesota Statutes, Chapter 340.

Referred to the Committee on Commerce.

Mr. Johnson introduced—

S.F. No. 2193: A bill for an act relating to taxation; income; property tax refund; adopting certain federal income tax amendments; altering the adoption of accelerated cost recovery system; limiting the deduction to individual retirement accounts and certain retirement plans; limiting the dependent care credit; amending Minnesota Statutes 1980, Sections 290.067, Subdivision 1; and 290.16, Subdivisions 15, as amended, and 16, as amended; Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 20, as amended; 290.09, Subdivisions 7, as amended, and 29; 290.091, as amended; 290.92, Subdivision 15; 290.93, Subdivision 1; 290.934, Subdivision 4; 290A.03, Subdivision 3; repealing Minnesota Statutes 1980, Section 290.65, Subdivisions 2, 3, 4, 5, 6, and 7.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Ulland, Frederickson, Belanger and Lindgren introduced—

S.F. No. 2194: A resolution memorializing the President and Congress of the United States to take immediate steps to curb the sources of acid rain.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Sikorski introduced—

S.F. No. 2195: A bill for an act relating to tort claims against the state; clarifying certain excluded liability; amending Minnesota Statutes 1980, Section 3.736, Subdivision 3.

Referred to the Committee on Judiciary.

Mr. Sikorski introduced—

S.F. No. 2196: A bill for an act relating to public welfare; allowing the commissioner of public welfare to designate that certain license fees can be retained by counties; amending Minnesota Statutes 1980, Section 245.811.

Referred to the Committee on Health, Welfare and Corrections.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.

### MOTIONS AND RESOLUTIONS

Mr. Vega moved that S.F. No. 1510 be taken from the table. The motion prevailed.

S.F. No. 1510: A bill for an act relating to highway traffic regulations; removing certain requirements for bug deflectors; amending Minnesota Statutes 1980, Section 169.743.

### CONCURRENCE AND REPASSAGE

Mr. Vega moved that the Senate concur in the amendments by the House to

S.F. No. 1510 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1510 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	Lantry	Peterson, C.C.	Sikorski
Bang	Dieterich	Lessard	Peterson, D.L.	Solon
Belanger	Engler	Lindgren	Peterson, R.W.	Spear
Benson	Frank	Luther	Petty	Stern
Berg	Frederick	Menning	Pillsbury	Stokowski
Berglin	Frederickson	Merriam	Purfeerst	Stumpf
Bernhagen	Humphrey	Moe, D. M.	Ramstad	Taylor
Bertram	Johnson	Moe, R. D.	Renneke	Tennesen
Brataas	Kamrath	Nelson	Rued	Ulland
Chmielewski	Knoll	Olhoft	Schmitz	Vega
Dahl	Knutson	Pehler	Setzepfandt	Waldorf
Davis	Langseth	Penny	Sieloff	Willet

So the bill, as amended, was repassed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that S.F. No. 1988 be stricken from General Orders and re-referred to the Committee on Finance. The motion prevailed.

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Thursday, March 4, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



**EIGHTY-FIRST DAY**

St. Paul, Minnesota, Thursday, March 4, 1982

The Senate met at 10:00 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. Jim McGowan.

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	Kamrath	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. Keefe was excused from the Session of today.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

February 26, 1982

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. 429.

Sincerely,

Albert H. Quie, Governor

February 26, 1982

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 1982 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 1982	Date Filed 1982
429		379	February 26	February 26

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. 1455, 1567, 1673, 2103, 1547 and 1727.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 3, 1982

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1365, 1652 and 1817.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 3, 1982

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1365: A bill for an act relating to cities; authorizing city rehabilitation loan programs for small and medium sized commercial buildings; and providing for the issuance of revenue bonds to finance the programs; authorizing a housing and commercial rehabilitation interest reduction program; amending Minnesota Statutes 1980, Sections 462.421, Subdivision 14; 462.445, by adding subdivisions; and 462.545, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 459.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1228.

H.F. No. 1652: A bill for an act relating to game and fish; authorizing special permits to take deer with a crossbow under certain circumstances; amending Minnesota Statutes 1980, Sections 98.48, by adding a subdivision; and 100.29, Subdivision 7.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1577, now on General Orders.

H.F. No. 1817: A bill for an act relating to transportation; adding a new route to the trunk highway system in substitution of an existing route; discontinuing and removing a route from the trunk highway system; providing for the disposal of surplus property; exempting the state transportation plan from the provisions of the administrative procedure act; requiring driver qualifications and safety requirements for certain motor carriers; regulating building movers and establishing fees; allowing expenditures from the state airports fund for educational programs to promote interest and safety in aeronautics; amending Minnesota Statutes 1980, Sections 161.41; 173.02, Subdivision 2; 174.03, Subdivisions 1 and 2; 360.015, Subdivision 2; 360.017, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 221.011, Subdivision 22; and 221.81; proposing new law coded in Minnesota Statutes, Chapter 221; repealing Minnesota Statutes 1981 Supplement, Section 161.465.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1700, 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 the report on S.F. No. 1633. The motion prevailed.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1633: A bill for an act relating to transportation; directing the commissioner of transportation to construct a freeway along a certain route in the city of St. Paul; requiring the posting of bond in certain proceedings; amending Minnesota Statutes 1980, Section 161.1245, Subdivision 1; repealing Minnesota Statutes 1980, Section 161.1245, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 10, insert:

“Section 1. Minnesota Statutes 1980, Section 161.117, is amended to read:

161.117 [TRUNK HIGHWAYS; ADDITIONAL ROUTES.]

There may be added by order of the commissioner of transportation to the trunk highway system a new ~~routes~~ route described as follows:

(1) Route No. 380. Beginning at a point on Route No. 390 at its intersection with Shepard Road in the city of St. Paul; thence extending in a northeasterly direction generally following along the course of Shepard Road to a point on Route No. 112; thence extending in a northeasterly direction to a point on Route No. 392 easterly of the downtown area of St. Paul; providing a connector route between Route No. 390 and Route Nos. 112 and 392;

(2) Route No. 382. Beginning at a point on Route No. 390 at its junction with Route No. 111, thence extending in a general northerly direction, ~~within~~ *generally along* the corridor of the right of way already acquired on May 31, 1975, for Route No. 390, to a point on Short Line Road; thence extending in a northeasterly direction within said corridor of right of way to the intersection of Pleasant Avenue and Kellogg Boulevard in the city of St. Paul.

Sec. 2. Minnesota Statutes 1980, Section 161.12, is amended to read:

161.12 [ADDITIONAL ROUTES ADDED TO TRUNK HIGHWAY SYSTEM.]

To take advantage of federal aid made available by the United States to the state of Minnesota for highway purposes, the following trunk highway routes are added to the trunk highway system which routes form a part of the national system of interstate and defense highways and may be referred to as the interstate system:

Route No. 390. Beginning at a point on the boundary between the states of Minnesota and Iowa, southerly of Albert Lea; thence extending in a general northeasterly direction to a point in Duluth on the boundary between the states of Minnesota and Wisconsin. Route No. 390 shall not include any portion of ~~Route No. 382 as designated by section 161.117 or any portion of any route connecting Route No. 382 to Route No. 392, nor shall it include any portion of~~ trunk highway marked No. 3 from trunk highway marked No. 110 in Dakota county to East Seventh Street in the city of St. Paul.

Route No. 391. Beginning at a point on the boundary between the states of Minnesota and South Dakota, westerly of Luverne; thence extending in a general easterly direction to a point on the boundary between the states of Minnesota and Wisconsin, near La Crescent.

Route No. 392. Beginning at a point on the boundary between the states of Minnesota and North Dakota in or near Moorhead; thence extending in a general southeasterly direction through the city of Minneapolis; thence in a general easterly direction through the city of St. Paul to a point on the boundary between the states of Minnesota and Wisconsin in or near Lakeland.

Route No. 393. Beginning at a point on Route No. 392, easterly of the city of St. Paul; thence in a general southerly and westerly direction through the city of South St. Paul; thence in a general westerly direction to a point in Eden Prairie Township, Hennepin County; thence in a general northerly direction to a point in the city of Maple Grove, Hennepin County; thence in a general easterly direction to a point on Route 390; thence in a general easterly, southeasterly and southerly direction to the point of beginning on Route No. 392, easterly of St. Paul.

Route No. 394. Beginning at a point on Route No. 390, southerly of the Minnesota River; thence extending in a general northerly and northeasterly direction through the city of Minneapolis; thence continuing in a northeasterly direction to a point on Route No. 390, near Forest Lake and there terminating.

Route No. 395. Beginning at a point on Route No. 390 at or near the intersection of Superior Street and Nineteenth Avenue West in the city of Duluth, thence extending in a northeasterly direction to a point on Route No. 103 at or near the intersection of Superior Street and Tenth Avenue East in the

city of Duluth.”

Page 1, line 14, reinstate the stricken “four-lane parkway”

Page 1, line 15, delete “four or six lane freeway” and insert “, with necessary auxiliary lanes for on and off ramps,”

Page 1, line 19, delete “freeway” and insert “parkway”

Page 1, after line 22, insert:

“Sec. 4. Minnesota Statutes 1980, Section 161.1245, is amended by adding a subdivision to read:

*Subd. 2a. No connection of Route No. 382 shall be made to the Short Line Road until a full environmental impact statement is completed by the city of St. Paul to reflect the impact of such a connection.”*

Page 1, line 25, delete “provisions of section 1” and insert “construction or routing of, or method of connection for, the parkway, as provided in section 3,”

Page 2, line 1, after “of” insert “losing federal aid for highway purposes due to the”

Page 2, line 2, delete “the” and insert “of applicable”

Page 2, delete section 3

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert “removing a route from the trunk highway system; changing the descriptions of certain trunk highway routes;”

Page 1, line 3, delete “freeway” and insert “parkway”

Page 1, line 4, after the semicolon insert “prohibiting a certain highway connection until a full environmental impact statement is made;”

Page 1, line 6, delete “Section” and insert “Sections 161.117; 161.12;”

Page 1, delete lines 7 and 8 and insert “1, and by adding a subdivision.”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Mr. Moe, D.M. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Wegener from the Committee on Local Government and Urban Affairs, to which was referred

H.F. No. 1357: A bill for an act relating to the Mountain Iron joint recreation board; regulating its tax levy.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 24, delete “the day after compliance with”

Page 2, delete line 1

Page 2, line 2, delete “governing bodies” and insert “upon approval of the voters”

Page 2, line 3, before the period, insert "*voting on the question at the 1982 general election*"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S.F. No. 1963: A bill for an act relating to commerce; motor vehicle sale and distribution; providing for the termination or cancellation of franchise agreements; specifying conditions that do not establish good cause for refusal to honor a succession; limiting a manufacturer's ability to withhold consent to a proposed transfer, assignment or sale of a dealership; specifying certain circumstances establishing good cause for entering into or relocating an additional franchise for the same line make; amending Minnesota Statutes 1981 Supplement, Sections 80E.07, Subdivision 1; 80E.09, Subdivision 1; 80E.10, Subdivision 5; 80E.11, Subdivision 1; 80E.13; and 80E.14, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 17, insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 80E.03, Subdivision 8, is amended to read:

Subd. 8. [FRANCHISE.] "Franchise" means the *written* agreement or contract between any new motor vehicle manufacturer, ~~written or otherwise~~, and any new motor vehicle dealer which grants to the dealer the right to market motor vehicles and which purports to fix the legal rights and liabilities of the parties to the agreement or contract."

Page 2, line 5, after "campaigns" insert "*or perform warranty service*"

Page 2, line 15, after "reasonable" insert "*capital, credit or*"

Page 2, line 29, after "manufacturer" insert "*, as limited in clause (f)*"

Page 3, line 7, strike everything after "(e)"

Page 3, strike lines 8 to 21

Page 3, line 22, strike everything before the semicolon and insert "*A sum equal to the current fair rental value of the dealership facilities for a period of one year from the effective date of the termination or cancellation, or the remainder of the term of the lease, whichever is less. Payment under this clause shall not be required if the termination or cancellation was for good cause based on a conviction or plea of nolo contendere of the dealer or one of its principal owners for a crime which constitutes a felony as described in section 609.02, subdivision 2, or if it has been demonstrated that the dealer has exhibited a course of conduct constituting fraud with respect to the manufacturer or the general public*"

Page 3, line 23, strike everything after "(f)"

Page 3, strike lines 24 to 29

Page 3, line 30, strike "apply" and delete the semicolon

Page 3, line 31, delete "(g)"

Page 3, line 33, after the second "dealer" insert "*including transportation,*"

Page 3, line 34, delete "*motor vehicles, including transportation and*" and insert "*current model year motor vehicle inventory acquired from the manufacturer which has not been materially altered or substantially damaged, and all new motor vehicle inventory not of the current model year which has not been materially altered or substantially damaged provided the noncurrent model year vehicles were acquired from the manufacturer and drafted on the dealer's financing source or paid for within 120 days prior to the effective date of the termination or cancellation. The manufacturer shall reimburse the dealer for*"

Pages 4 to 7, delete sections 3 to 5 and insert:

"Sec. 4. Minnesota Statutes 1981 Supplement, Section 80E.09, Subdivision 2, is amended to read:

Subd. 2. [TIME IN WHICH PAYMENTS MUST BE MADE.] Fair and reasonable compensation shall be paid by the manufacturer when possible within 90 days of the effective date of termination or cancellation, *provided the dealer has clear title to the inventory and other items and is in a position to convey that title to the manufacturer and as long as this period will allow compliance with the notification requirements of sections 336.6-101 to 336.6-111 or any other state or federal laws relating to creditor notification.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 80E.09, Subdivision 3, is amended to read:

Subd. 3. [VOLUNTARY TERMINATIONS OR CANCELLATIONS.] For the purposes of reimbursement under this section, termination or cancellation includes a voluntary termination or cancellation by the dealer, *and the compensation provided for in subdivision 1, except clause (e) thereof, shall be paid to the dealer.*

Sec. 6. Minnesota Statutes 1981 Supplement, Section 80E.11, Subdivision 2, is amended to read:

Subd. 2. [PERSONAL AND FINANCIAL DATA.] *As soon as possible after designating a family member pursuant to this section, the dealer shall inform the manufacturer, factory branch, distributor, or importer of the designation and upon request shall provide personal and financial data that is reasonably necessary to determine whether the succession should be honored. Failure to inform the manufacturer, factory branch, distributor, or importer shall not affect the right of the designee to succeed to ownership of the dealership. At the time of serving notice under subdivision 1, the designated family member shall provide, upon the request of the manufacturer, distributor, factory branch, or importer, a current update of the personal and financial data that is reasonably necessary to determine whether the succession should be honored described above.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 80E.11, Subdivision 6, is amended to read:

Subd. 6. [BURDEN OF PROOF.] In determining whether good cause for the refusal to honor the succession exists, the manufacturer, distributor, factory branch, or importer has the burden of proving that the successor is a person

who is not of good moral character and or does not meet the franchisor's existing and reasonable standards and, considering the volume of sales and service of the new motor vehicle dealer, uniformly applied minimum business experience standards in the market area."

Page 8, after line 7, insert:

"Sec. 9. [80E.18] [NO RETROACTIVE APPLICATION.]

*The provisions of chapter 80E do not apply to an action to terminate or cancel a motor vehicle franchise if the notice to terminate or cancel was given prior to May 1, 1981. An action to terminate or cancel is governed by the laws of the state of Minnesota in effect on the day notice to terminate or cancel is given.*

Sec. 10. [LEGISLATIVE INTENT.]

*The provisions of this act are a restatement and clarification of the legislative intent of chapter 80E and shall not be construed as a modification of existing law."*

Page 8, line 9, delete "6" and insert "10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "; specifying" and insert "and certain payments to be made by manufacturers in the event thereof;"

Page 1, delete lines 5 to 8

Page 1, line 12, after "Sections" insert "80E.03, Subdivision 8;"

Page 1, line 13, after "80E.09," delete "Subdivision 1" and insert "Subdivisions 1, 2 and 3"

Page 1, line 13, delete "80E.10, Subdivision 5;"

Page 1, line 14, delete "Subdivision 1" and insert "Subdivisions 2 and 6"

Page 1, line 14, delete "80E.13;"

Page 1, line 15, before the period, insert "; proposing new law coded in Minnesota Statutes, Chapter 80E"

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. 1931: A bill for an act relating to taxation; providing a system of levy limitations to apply to certain units of local government; amending Minnesota Statutes 1980, Section 275.51, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 275.50, Subdivisions 2 and 5, as amended; 275.51, Subdivision 4; repealing Minnesota Statutes 1981 Supplement, Sections 275.13, Subdivision 15b; and 275.51, Subdivision 3e, as amended; proposing new law coded in Minnesota Statutes, Chapter 275.

Reports the same back with the recommendation that the bill be amended as follows:



Page 2, line 30, delete "its" and strike "minimum required" and before "share" insert "its"

Page 3, line 14, delete everything after "15.052"

Page 3, delete lines 15 and 16

Page 3, line 17, delete the new language

Page 7, line 28, delete "the" and insert "pay the cost of acquisition or betterment of property for which bonds could have been issued pursuant to section 475.52, subdivision 1, to the extent that the acquisition or betterment was paid for with funds not obtained by the issuance of obligations of the municipality. When an amount is levied pursuant to this clause, the municipality shall be subject to the procedures for public hearings and referendums established in chapter 412 or 475 or special law, whichever is applicable, that would have applied if the municipality had issued obligations to pay for the property. Any amount levied pursuant to this clause shall be added to the net debt of the municipality for the year in which the tax is payable for the purpose of computing the limitation in section 475.53;

(v) pay the cost of conducting any election required to be held by state law except city or county elections that are not held on the first Tuesday after the first Monday in November in any year;

The"

Page 8, line 6, after "clauses" insert "(a)(5)," and after "275.52" insert "except that, for a municipality that had been exempt from the provisions of Minnesota Statutes 1980, Sections 275.50 to 275.56, but is subject to the limitations of sections 275.50 to 275.56, the hypothetical levy limit base shall be the greater of (a) the average of the municipality's levies for levy years 1977, 1978, 1979, 1980, and 1981, with the levy for each year increased according to the percentage of increase in the consumer price index for all the urban consumers for Minneapolis-St. Paul metropolitan area prepared by the United States department of labor from June of that levy year to June of 1981 or (b) the municipality's levy for levy year 1981"

Page 8, line 18, after "(c)" insert "One-half of the amount of the special levy authorized under section 275.50, subdivision 5, clause (m), shall be added to the permanent levy limit base of the governmental subdivision in the year following the year in which it has been discontinued as a special levy pursuant to the provisions of section 275.50, subdivision 5, clause (m).

(d)"

Page 10, after line 36, insert:

"Subd. 3a. [HOUSEHOLD INCREASES.] If the number of households in a governmental subdivision increases from one year to the next in a greater proportion than the population has increased during that time, the current year's levy limit base may for purposes of sections 275.50 to 275.56, be increased according to the provisions of this subdivision in lieu of the increase provided in subdivision 3. The levy limit base for the preceding levy year shall be divided by the number of households in the municipality in that previous year to obtain a levy limit base per household amount. The levy limit base per household amount shall be multiplied by the number of households in the

*municipality in the current levy year to determine the amount of the base increase allowed pursuant to this subdivision. The number of households shall be determined according to the most recent decennial census, with annual increases, if any, determined for municipalities in the metropolitan area defined in section 473.121, subdivision 2, by the metropolitan council and for other municipalities according to the number of building permits for residential units issued for construction in that municipality."*

Page 11, line 11, after "new" insert "or substantially expanded"

Page 11, line 15, after "assessments" insert ". For purposes of this clause, "substantially expanded services" shall mean services of a type provided prior to the enactment of the change in state law but which are required to be provided under the changed law to an extent that will increase the cost of providing that type of service by 30 percent or more"

Page 11, lines 25 and 29, delete "having statutory city powers" and insert "subject to the levy limitations of sections 275.50 to 275.58"

Page 11, line 31, delete "275.59" and insert "275.58"

Page 11, line 34, delete "having statutory powers"

Page 12, line 12, after "under" insert "clauses (a), (c), or (d) of"

Page 16, after line 35, insert:

"Sec. 9. Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 15b, as amended by Laws 1981 Third Special Session, Chapter 1, Article I, Section 2, is amended 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, excluding any amount levied pursuant to section 275.50, subdivision 5, clause (k), 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 for the preceding year. If the ~~payable 1982~~ total current levy excluding any amount levied pursuant to section 275.50, subdivision 5, clause (k), of ~~such~~ the taxing district is more than 108 percent of its ~~payable 1981~~ total levy for the preceding year, then that total mill rate shall be based on 108 percent of the taxing district's ~~payable 1981~~ total levy for the preceding year, plus any amount levied pursuant to section 275.50, subdivision 5, clause (k), for taxes payable in 1982. The commissioner of revenue shall determine and certify to all county auditors the product of each taxing district's ~~payable 1981~~ total levy for the preceding year multiplied by 108 percent, plus any amount levied pursuant to section 275.50, subdivision 5, clause (k), for taxes payable in ~~1982~~ the current year. ~~In the event that~~ If 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. 10. Minnesota Statutes 1981 Supplement, Section 477A.04, Subdivision 2, is amended to read:

Subd. 2. Beginning in calendar year ~~1983~~ 1984 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."

Page 17, line 1, delete "*Sections 273.13,*"

Page 17, line 2, delete "*Subdivision 15b; and*" and insert "*Section*"

Page 17, line 4, delete "*are*" and insert "*is*"

Page 17, line 6, delete "*8 and 9*" and insert "*and 8 to 10*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "extending the date of application of the coefficient of dispersion penalty;"

Page 1, line 6, after "Sections" insert "273.13, Subdivision 15b, as amended;"

Page 1, line 7, delete "repealing" and insert "477A.04, Subdivision 2;"

Page 1, delete lines 8 and 9

Page 1, line 10, delete "amended;"

Page 1, line 11, before the period, insert "; repealing Minnesota Statutes 1981 Supplement, Section 275.51, Subdivision 3e, as amended"

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. 1682: A bill for an act relating to local government; permitting various leases and installment purchases of equipment; providing for their tax and fiscal treatment; amending Minnesota Statutes 1980, Sections 168.012, by adding a subdivision; 297B.03; and 465.71; Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 9, line 26, after "CITIES" insert "; *COUNTIES AND SCHOOL DISTRICTS*"

Page 9, line 27, delete "*or*" and insert a comma

Page 9, line 28, after "*city*" insert ", *county or school district*"

Page 9, line 29, delete "*real or*"

Page 9, line 35, after the period, insert "*For purposes of the bid requirements contained in section 471.345, 'the amount of the contract' shall include the total of all lease payments for the entire term of the lease under a*

*lease-purchase agreement.*”

Page 10, line 4, after “city” insert “, county or school district”

Page 10, line 6, delete “As provided by”

Page 10, delete lines 7 to 10

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S.F. No. 1738: A bill for an act relating to crimes; prohibiting possession of obscene works appealing to pedophiles; prescribing penalties; amending Minnesota Statutes 1980, Section 617.246, by adding a subdivision.

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 617.246, Subdivision 4, is amended to read:

Subd. 4. [DISSEMINATION.] A person who, knowing its content and character, disseminates for profit an obscene work, as defined in this section, is guilty of a ~~misdemeanor~~ felony.

Sec. 2. [617.247] [POSSESSION OF OBSCENE PICTORIAL REPRESENTATIONS OF MINORS.]

*Subdivision 1. [POLICY; PURPOSE.] It is the policy of the legislature in enacting this section to protect minors from the physical and psychological damage caused by their being used in obscene photographic representations. It is therefore the intent of the legislature to penalize possession of obscene photographic representations in order to protect the identity of minors who are victimized by involvement in obscene photographic representations, and to protect minors from future involvement in obscene photographic representations.*

*Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given them:*

(a) “Photographic representation” means an original or reproduction of a film, videotape, photograph, negative, or slide.

(b) “Obscene” means that the work, taken as a whole, appeals to pedophiles or to the prurient interest in sex of the average person, which portrays patently offensive sexual conduct and which, taken as a whole, does not have serious literary, artistic, political, or scientific value. In order to determine that a work is obscene, the trier of fact must find: (i) that the average person, applying contemporary community standards would find that the work, taken as a whole, appeals to pedophiles or to the prurient interest in sex of the average person; and (ii) that the work depicts patently offensive sexual conduct specifically defined by clause (c); and (iii) that the work, taken as a whole, lacks serious literary, artistic, political, or scientific value.

(c) “Patently offensive sexual conduct” includes any of the following depicted sexual conduct if the depiction involves a minor:

(i) *An act of sexual intercourse, normal or perverted, actual or simulated, including genital-genital, anal-genital, or oral-genital intercourse, whether between human beings or between a human being and an animal.*

(ii) *Sadomasochistic abuse, meaning flagellation or torture by or upon a person who is nude or clad in undergarments or in a revealing costume or the condition of being fettered, bound, or otherwise physically restricted on the part of one so clothed.*

(iii) *Masturbation or lewd exhibitions of the genitals including any explicit, close-up representation of a human genital organ.*

(iv) *Physical contact or simulated physical contact with the clothed or unclothed pubic areas or buttocks of a human male or female, or the breasts of the female, whether alone or between members of the same or opposite sex or between humans and animals in an act of apparent sexual stimulation or gratification.*

*Subd. 3. [DISSEMINATION PROHIBITED.] A person who disseminates an obscene photographic representation of a minor, knowing or with reason to know its content and character and that an actual minor is an actor or photographic subject in it, is guilty of a gross misdemeanor.*

*Subd. 4. [POSSESSION PROHIBITED.] A person who has in possession an obscene photographic representation of a minor, knowing or with reason to know its content and character and that an actual minor is an actor or photographic subject in it, is guilty of a misdemeanor.*

*Subd. 5. [EXCEPTION.] This section does not apply to law enforcement officers, court personnel, licensed physicians and psychologists, and attorneys in the performance of their official duties.*

**Sec. 3. [EFFECTIVE DATE.]**

*Sections 1 and 2 are effective May 1, 1982, and apply to offenses committed on or after that date."*

Amend the title as follows:

Page 1, line 4, delete "by"

Page 1, line 5, delete "adding a subdivision" and insert "Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 617"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 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.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 3, strike the comma and insert "and"

Page 2, line 5, strike "make and"

Page 2, line 8, delete "of them"

Page 2, line 8, strike "and" and insert "of them. He"

Page 2, line 10, strike "the same" and insert "they"

Page 2, line 30, strike "the" and insert "its"

Page 2, line 31, delete "of it"

Page 3, lines 30 to 32, delete the new language

Page 3, line 32, strike the period

Page 4, line 14, strike "may make an"

Page 4, line 16, delete "of them"

Page 4, line 16, strike ", and" and insert "of them. It"

Page 4, line 18, strike "the same" and insert "they"

Page 5, line 19, strike "Not included within"

Page 5, line 20, strike "the definition of"

Page 5, line 20, strike "as used in this chapter are" and insert "excludes"

Page 6, delete lines 3 to 35 and insert:

*"Subd. 1a. [RECORDS INSPECTION.] Government records which a state agency, political subdivision, or statewide system lists on a records disposition application or records schedule, or on which archival assistance or advice is requested, may be inspected by state archives' employees if state archives gives prior notice. Employees of the archives shall have access to the records for the purpose of determining the historical or other continuing value of the records, regardless of the records' classification pursuant to sections 15.1611 to 15.1699. Employees of the archives shall be liable to the penalties set forth for improper disclosure by them of private, confidential, nonpublic, or protected nonpublic data inspected for this purpose.*

Sec. 5. Minnesota Statutes 1980, Section 138.17, is amended by adding a subdivision to read:

*Subd. 1b. [TRANSFER PROCESS.] After July 1, 1982, all records deemed to be of continuing value and authorized for transfer to the archives by the records disposition panel shall be retained by the requesting agency or may be transferred to the archives in accordance with section 3, notwithstanding the provisions of sections 15.1611 to 15.1699. The responsible authority of the state agency, political subdivision, or statewide system transferring records to the archives shall notify the archivist or his designee with regard to the records transferred of the classification of the records pursuant to sections 15.1611 to 15.1699.*

Sec. 6. Minnesota Statutes 1980, Section 138.17, is amended by adding a subdivision to read:

*Subd. 1d. [ACCESS TO ARCHIVES RECORDS.] (a) All records trans-*

ferred to the archives shall be accessible to the public unless the archives determines that the information:

(1) Was compiled for law enforcement purposes and disclosure would (i) materially impair the effectiveness of an ongoing investigation, criminal intelligence operation, or law enforcement proceeding; (ii) identify a confidential informant; (iii) reveal confidential investigative techniques or procedures, including criminal intelligence activity; or (iv) endanger the life of an individual;

(2) Is administrative or technical information, including software, operating protocols, employee manuals, or other information, the disclosure of which would jeopardize the security of a record keeping system;

(3) Is proprietary information, including computer programs and software and other types of information manufactured or marketed by persons under exclusive legal right, owned by the agency or entrusted to it;

(4) Contains trade secrets or confidential commercial and financial information obtained, upon request, from a person;

(5) Is library, archival, or museum material contributed by private persons to the extent of any lawful limitation imposed upon the material; or

(6) Disclosure would constitute a clearly unwarranted invasion of personal privacy. Disclosure of an individually identifiable record does not constitute a clearly unwarranted invasion of personal privacy if the public interest in disclosure outweighs the privacy interest of the individual.

(b) The society may"

Page 7, line 27, after "to" insert "(1)"

Page 7, line 29, strike "to" and insert "(2)"

Page 7, line 30, strike "to" and insert "(3)"

Page 9, delete line 24

Page 9, line 32, delete "gross"

Page 10, line 7, delete "13" and insert "14" and delete "1981" and insert "1982"

Renumber the sections in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 1523: A bill for an act relating to driver licensing; allowing certain reports to be made to the commissioner of public safety; proposing new law coded in Minnesota Statutes, Chapter 171.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 1283: A bill for an act relating to crimes; lengthening the statute of limitations for prosecutions for certain crimes; amending Minnesota Statutes

1980, Section 628.26.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S.F. No. 1686: A bill for an act relating to courts; authorizing courts to obtain the presence of persons confined in state institutions for court appearances; proposing new law coded in Minnesota Statutes, Chapter 589.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [589.35] [RELEASE OF INSTITUTIONALIZED PERSONS FOR JUDICIAL PURPOSES.]

*Subdivision 1. [ORDER.] Except as provided in chapters 589 and 590, any court requiring the appearance of a person confined in a state correctional facility, mental hospital, or other institution after criminal conviction, civil commitment, or pursuant to court order, may order the confining institution to release the person into the temporary custody of the court. The order shall specify:*

- (a) The reason for the person's appearance;*
- (b) To whom the confined person may be released; and*
- (c) The date and time of the release.*

*Subd. 2. [COSTS.] The court shall, without any cost to the releasing institution, determine and implement a cost effective and convenient method for obtaining the person's appearance, including requiring the parties to the proceedings to pay all or a part of the costs as otherwise provided by law.*

*Subd. 3. [COMPLIANCE.] Upon receipt of a court order for release under this section, the chief executive officer of the confining institution shall take appropriate steps to comply with the order in a manner which is consistent with public safety.”*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 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.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, delete “*Subdivision 1.*”

Page 1, line 16, delete “*brought a frivolous*” and insert “*asserted a*”

Page 1, line 17, before the semicolon, insert “*knowing it to be frivolous*”

Page 1, line 17, delete “*for*”

Page 1, line 18, delete everything before “*to*”



Page 1, line 19, before the semicolon, insert "or to harrass"

Page 2, delete lines 5 to 10 and insert:

"Sec. 2. [604.06] [FIREMAN'S RULE.]

*The common law doctrine known as the fireman's rule shall not operate to deny any peace officer, as defined in section 626.84, subdivision 1, clause (c), a recovery in any action at law or authorized by statute."*

Amend the title as follows:

Page 1, line 2, delete "costs and disbursements;"

Page 1, line 3, after "of" insert "costs, disbursements, and"

Page 1, line 4, after the semicolon, insert "restoring a right of action for law enforcement officers;"

Page 1, line 5, before the period, insert "; proposing new law coded in Minnesota Statutes, Chapter 604"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S.F. No. 648: A bill for an act relating to marriage dissolution; adopting the revised uniform reciprocal enforcement of support act; proposing new law coded as Minnesota Statutes, Chapter 518C; repealing Minnesota Statutes 1980, Sections 518.41 to 518.53.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 10 and 15, delete "37" and insert "36"

Page 2, line 3, delete "37" and insert "36"

Page 3, lines 13, 19, 23, and 25, delete "37" and insert "36"

Page 4, lines 16, 20, and 31, delete "37" and insert "36"

Pages 5 and 6, delete section 12

Page 7, line 22; delete "37" and insert "36"

Page 8, lines 12, 17, and 32, delete "37" and insert "36"

Page 8, line 21, delete "19" and insert "18"

Page 9, line 34, delete "37" and insert "36"

Page 10, lines 14 and 25, delete "37" and insert "36"

Page 11, lines 1 and 6, delete "23 to 26" and insert "22 to 25"

Page 11, line 22, delete "37" and insert "36"

Page 12, line 29, delete "37" and insert "36"

Page 13, lines 10 and 34, delete "37" and insert "36"

Page 13, line 18, delete "29" and insert "28"

Page 14, lines 12 and 33, delete "37" and insert "36"

Page 15, line 23, delete "37" and insert "36"

Page 15, line 25, delete "25" and insert "24"

Page 16, lines 4 and 8, delete "37" and insert "36"

Renumber the sections in sequence

Renumber the proposed coding in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S.F. No. 1600: A bill for an act relating to juveniles; providing for termination of jurisdiction over juveniles; providing for the apprehension of juvenile absconders and escapees; amending Minnesota Statutes 1980, Sections 242.19; 260.181, Subdivision 4; and Minnesota Statutes 1981 Supplement, Section 242.44.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1980, Section 4.12, is amended by adding a subdivision to read:

*Subd. 9. [JUVENILE JUSTICE.] The governor shall designate the department of energy, planning, and development as the sole agency responsible for supervising the preparation and administration of the state plan for juvenile justice required by the Juvenile Justice and Delinquency Prevention Act of 1974, as amended.*

*The governor shall designate the Juvenile Justice Advisory Committee as the supervisory board for the department of energy, planning and development with respect to preparation and administration of the state plan and award of grants.*

*The governor shall appoint members to the Juvenile Justice Advisory Committee in accordance with the membership requirements of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended."*

Page 1, line 19, strike "and such facilities" and insert ", which"

Page 1, line 19, strike "such persons so"

Page 1, line 20, strike "committed to"

Page 1, line 24, strike "such"

Page 2, line 6, strike "such"

Page 2, line 17, after "foster" insert "care"

Page 2, line 18, strike "such" and insert "the"

Page 2, lines 26 and 30, delete "child" and insert "person"

Page 3, line 7, strike everything after the comma

Page 3, line 8, strike everything before "suitable" and insert "may provide

*education*”

Page 3, after line 22, insert:

“Sec. 5. [EFFECTIVE DATE.]

*Section 1 is effective on July 1, 1982.*”

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert “designating a juvenile justice agency;”

Page 1, line 6, delete “and”

Page 1, line 7, delete “Section” and insert “Sections 4.12, by adding a subdivision; and”

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

Senate Resolution No. 76: A Senate resolution proclaiming the week of March 14 to 20, 1982, to be Older Workers Week.

Reports the same back with the recommendation that the resolution be adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2077 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.
2077	2136				

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. 1720 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.
1720	1568				

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. 2134 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.
2134	2155				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2134 be amended as follows:

Page 1, line 14, strike "any" and insert "a" in both instances

Page 1, line 19, strike "Such" and insert "The"

Page 1, line 22, strike "and such" and insert ". The"

Page 1, line 23, strike "6, or"

Page 1, line 24, strike "otherwise" and insert "5a. The licenses shall authorize sales on all days of the week"

Page 2, line 1, delete ", except that notwithstanding"

Page 2, delete line 2

Page 2, line 3, delete everything before the period

Page 2, line 3, strike "Any" and insert "A"

Page 2, line 5, strike "such" and insert "the"

Page 2, line 6, strike "such" and insert "the"

Page 2, line 9, delete "following" and insert "after"

And when so amended H.F. No. 2134 will be identical to S.F. No. 2155, and further recommends that H.F. No. 2134 be given its second reading and substituted for S.F. No. 2155, 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. 1804 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.
1804	1819				

Pursuant to Rule 49, the Committee on Rules and Administration recom-

mends that H.F. No. 1804 be amended as follows:

Page 1, line 7, delete "EXEMPTION" and insert "APPLICATION"

Page 1, line 8, delete "*Minnesota Statutes, Chapter 344 does not apply*" and insert "*This chapter applies only*"

Page 1, line 10, delete everything before the period and insert "*in excess of 20 acres*"

Page 1, line 12, delete "*governing body*" and insert "*town board*"

Page 1, line 14, delete "*chapter 344*" and insert "*this chapter*"

Page 1, line 16, delete "*governing body*" and insert "*town board*"

Page 1, line 18, delete "*governing body*" and insert "*town board*"

Page 1, line 18, delete "*such*" and insert "*the adoption of*"

Page 1, line 19, delete "*voters*" and insert "*electors*"

Page 1, line 19, delete "*a*" and insert "*an annual or special*"

Page 1, line 20, after "*meeting*" delete everything before the period

Page 1, line 21, delete "*Chapter 344 governs*" and insert "*This chapter applies to*"

And when so amended H.F. No. 1804 will be identical to S.F. No. 1819, and further recommends that H.F. No. 1804 be given its second reading and substituted for S.F. No. 1819, 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. 2098 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.
2098	1709				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2098 be amended as follows:

Page 1, line 11, after "*who*" insert "*was given a leave of absence to enter military service and who returned to teaching service upon discharge from military service as provided in section 192.262, and who*"

Page 1, line 12, delete "*pursuant to*" and insert "*in*"

Page 1, line 15, after "*1958*" insert a comma; and after "*1973*" insert a comma

Page 1, line 16, delete "*pursuant to*" and insert "*in*"

Page 1, line 17, after "*1964*" insert a comma

Page 3, line 12, delete "*For the provisions of section 3,*"

Page 3, delete lines 16 and 17

Amend the title as follows:

Page 1, line 3, delete "extending the time limit for" and insert "authorizing"

And when so amended H.F. No. 2098 will be identical to S.F. No. 1709, and further recommends that H.F. No. 2098 be given its second reading and substituted for S.F. No. 1709, 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. 1234 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.
1234	1274				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1234 be amended as follows:

Amend the title as follows:

Page 1, line 3, before "hospital" insert "clarifying certain"

And when so amended H.F. No. 1234 will be identical to S.F. No. 1274, and further recommends that H.F. No. 1234 be given its second reading and substituted for S.F. No. 1274, 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. 2050 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.
2050	1755				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2050 be amended as follows:

Page 2, line 16, delete "*that*" and insert "*of*"

Page 2, line 17, delete "*or given*"

And when so amended H.F. No. 2050 will be identical to S.F. No. 1755, and further recommends that H.F. No. 2050 be given its second reading and substituted for S.F. No. 1755, 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. 1735 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.
1735	1639				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1735 be amended as follows:

Page 3, line 8, delete "163" and insert "153"

Page 4, line 4, delete "163" and insert "153"

And when so amended H.F. No. 1735 will be identical to S.F. No. 1639, and further recommends that H.F. No. 1735 be given its second reading and substituted for S.F. No. 1639, 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. 1697 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.
1697	1628				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1697 be amended as follows:

Page 2, line 5, before "sections" insert "Minnesota Statutes,"

Page 2, line 12, before "sections" insert "Minnesota Statutes,"

Page 4, line 16, before "sections" insert "Minnesota Statutes,"

Page 4 line 17, after "423.392" insert a comma

Page 4, line 21, before "section" insert "Minnesota Statutes,"

Page 4, line 21, after "645.021" insert a comma

Page 4, line 22, delete "Section" and insert "Sections"

Page 4, line 25, before "section" insert "Minnesota Statutes,"

Page 4, line 33, delete "DATES" and insert "DATE"

Page 5, line 1, before "section" insert "Minnesota Statutes,"

Page 5, line 3, before "section" insert "Minnesota Statutes,"

Amend the title as follows:

Page 1, line 6, after "fund;" insert "Virginia police relief association;"

Page 1, line 6, delete the comma and insert a semicolon

Page 1, line 8, delete the comma and insert a semicolon

Page 1, line 9, delete the comma and insert a semicolon

Page 1, line 10, delete the comma and insert a semicolon

Page 1, line 11, delete "and"

Page 1, line 11, delete "by the Virginia police"

Page 1, line 12, delete "relief association"

And when so amended H.F. No. 1697 will be identical to S.F. No. 1628, and further recommends that H.F. No. 1697 be given its second reading and substituted for S.F. No. 1628, 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. 1963, 1931, 1682, 1738, 1686, 648 and 1600 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 534, 1523, 1283, 560, 2077, 1720, 2134, 1804, 2098, 1234, 2050, 1735 and 1697 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Solon moved that the names of Messrs. Lindgren, Stern, Waldorf and Sikorski be added as co-authors to S.F. No. 1794. The motion prevailed.

Ms. Berglin moved that the name of Mr. Sikorski be added as a co-author to S.F. No. 1910. The motion prevailed.

Mr. Ulland moved that the name of Mr. Dahl be added as a co-author to S.F. No. 2194. The motion prevailed.

Messrs. Merriam, Setzepfandt and Bertram introduced—

Senate Resolution No. 78: A Senate resolution proclaiming March 18, 1982, to be "Agriculture Day" in Minnesota.

WHEREAS, Minnesota is among the nation's leading states in agricultural production and cash receipts from agricultural products and livestock; and,



WHEREAS, agriculture and its related industries provide approximately one-third of the state's employment opportunities and forty percent of the gross state product; and,

WHEREAS, the value of Minnesota farm production last year exceeded 7.5 billion dollars, with more than double that amount generated due to related marketing, processing, packaging and distribution; and,

WHEREAS, Minnesota ranks among the nation's top five states in agricultural cash receipts, crop marketing, and the production of oats, sweet corn, wild rice, turkeys, wheat, sugar beets, dairy products and livestock; and,

WHEREAS, the future of Minnesota's farms and agricultural industries remains the key to the future of the state economy as a whole; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that March 18 is proclaimed to be Agriculture Day in Minnesota. It recognizes the critical nature of the agricultural economy, the challenging and complex problems being faced by our state farmers and agribusinesses and reaffirms its commitment to maintaining and improving the vitality of agriculture in our state.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to enroll a copy of this resolution, to be authenticated by his signature and that of the President of the Senate, and that it be presented to representatives of the appropriate agricultural organizations and industries.

Mr. Merriam moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Moe, R.D. moved that Senate Resolution No. 76 be now adopted, pursuant to the report from the Committee on Rules and Administration adopted March 4, 1982.

Senate Resolution No. 76: A Senate resolution proclaiming the week of March 14 to 20, 1982, to be Older Workers Week.

WHEREAS, older workers have continued to lead active and productive lives past the standard retirement age; and,

WHEREAS, workers should not feel that they are bound by the constraints of retirement age and should be recognized as fulfilling useful roles in which their experience and expertise deserve recognition; and,

WHEREAS, we owe all those workers past retirement age a debt of gratitude for the excellent jobs they have done and continue to do and recognize the contributions they have made to the State of Minnesota; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that it proclaims the week of March 14 to 20, 1982, to be Older Workers Week in Minnesota.

BE IT FURTHER RESOLVED that the people of Minnesota are encouraged to hold meetings, ceremonies, celebrations, and other activities to commemorate Older Workers Week.

The motion prevailed. So the resolution was adopted.

Mr. Lessard moved that his name be stricken as a co-author to S.F. No. 1556. The motion prevailed.

Remaining on the 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. Tennesen in the chair.

After some time spent therein, the committee arose, and Mr. Tennesen reported that the committee had considered the following:

S.F. Nos. 1706, 1825, 1949, 2030, 2062, 1888, 1677, 1858, 1838 and H.F. Nos. 2175, 2078, 1920 and 2068, which the committee recommends to pass.

S.F. No. 1662, which the committee recommends to pass, after the following motion:

Mr. Menning moved to amend S.F. No. 1662 as follows:

Page 5, after line 26, insert:

“Sec. 6. [219.201] [REMOVAL OF SIGNS AND TRACKS; DISCONNECTION OF TRACKS.]

*Any railroad company which has obtained the approval of the Interstate Commerce Commission, with respect to tracks under the commission's jurisdiction, or the transportation regulation board, with respect to tracks under the board's jurisdiction, to abandon any of its tracks shall within one year after the date of official abandonment:*

- (1) disconnect the abandoned tracks from the remainder of its rail system;
- (2) remove any signs erected under sections 219.18 to 219.20; and
- (3) remove the abandoned tracks from all affected railroad grade crossings.

*The transportation regulation board may grant, upon appeal by an affected railroad company, a reasonable extension of the one year time limit for removal and disconnection upon a showing of good cause.”*

Page 7, line 16, delete “7” and insert “8”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after the semicolon, insert “providing for the removal of certain signs and for the removal and disconnection of certain railroad tracks;”

Page 1, line 12, after the semicolon, insert “proposing new law coded in Minnesota Statutes, Chapter 219;”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 22, as follows:

Those who voted in the affirmative were:

Dieterich	Langseth	Moe, R. D.	Schmitz	Waldorf
Frederickson	Menning	Penny	Stokowski	Willet
Humphrey	Moe, D. M.			

Those who voted in the negative were:

Belanger	Davis	Kronebusch	Peterson, R. W.	Solon
Benson	Engler	Lantry	Petty	Tennessee
Bernhagen	Frederick	Lindgren	Purfeerst	
Dahl	Kamrath	Olhoft	Ramstad	
Davies	Kroening	Peterson, D.L.	Renneke	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 1780, which the committee recommends to pass with the following amendment offered by Mr. Frederick:

Page 1, after line 13, insert:

“Section 1. Minnesota Statutes 1980, Section 169.80, Subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] It is a misdemeanor for a person to drive or move, or for the owner to cause or knowingly permit to be driven or moved, on a highway a vehicle or vehicles of a size or weight exceeding the limitations stated in sections 169.80 to 169.88, or otherwise in violation of sections 169.80 to 169.88, and the maximum size and weight of vehicles as prescribed in sections 169.80 to 169.88 shall be lawful throughout this state, and local authorities shall have no power or authority to alter these limitations except as express authority may be granted in sections 169.80 to 169.88.

When all the axles of a vehicle or combination of vehicles are weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight of the vehicle or combination of vehicles so weighed.

When each of the axles of any group that contains two or more consecutive axles of a vehicle or combination of vehicles have been weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight on the group of axles so weighed.

When, in any group of three or more consecutive axles of a vehicle or combination of vehicles any axles have been weighed separately and two or more axles consecutive to each other in the group have been weighed together, the sum of the weights of the axles weighed separately and the axles weighed together shall be evidence of the total gross weight of the group of axles so weighed.

The provisions of sections 169.80 to 169.88 governing size, weight, and load shall not apply to fire apparatus, or to implements of husbandry temporarily moved upon a highway, or to loads of loose hay or corn stalks if transported by a horse-drawn vehicle or drawn by a farm tractor, or to a vehicle operated under the terms of a special permit issued as provided by law. For purposes of sections 169.80 to 169.88, a specialized vehicle resembling a low-slung two wheel trailer having a short bed or platform shall be deemed to be an implement of husbandry when the vehicle is used exclusively to transport implements of husbandry; and the term “temporarily moved upon a highway” shall mean a movement not to exceed 50 miles.

In addition to any other special permits authorized, an annual permit may be issued authorizing movements *on interstate highways and movements* exceeding 50 miles *on non-interstate highways* of oversize vehicles and loads when the vehicles or combination of vehicles are used exclusively to transport implements of husbandry. Annual permits are issued in accordance with the

applicable provisions of section 169.86, except that the transporting vehicle or combination of vehicles may be moved at the discretion of the permittee without prior route approval from the permit issuing office of the department of transportation if:

(a) The overall width of the transporting vehicle, including load, does not exceed 12 feet;

(b) The transporting vehicle otherwise complies with equipment requirements and length, height and weight limitations prescribed by this chapter;

(c) The movement is made after the hour of sunrise and not later than 30 minutes after sunset;

(d) The movement is not made when visibility is impaired by weather, fog or other conditions rendering persons and vehicles not clearly visible at a distance of 500 feet, or on Sundays *after twelve o'clock noon*, and holidays;

(e) The transporting vehicle shall display at the front and rear end of the load or vehicle a pair of flashing amber lights, as provided in section 169.59, subdivision 4, *whenever the overall width of the vehicle exceeds ten feet, six inches*; and

(f) The movement, if made on a trunk highway, is made on a trunk highway with a surfaced roadway width of not less than 24 feet.

The fee for an annual permit is \$24."

Page 10, line 33, delete "6" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "governing the movement of certain vehicles on certain highways;"

Page 1, line 8, after "amending" insert "Minnesota Statutes 1980, Section 169.80, Subdivision 1;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1740, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 6, line 7, after the comma, insert "*bearing interest at the rate determined by the municipality, not exceeding the rate established for finance charges for open-end credit sales under section 334.16, subdivision 1, clause (b).*"

Page 6, line 7, after the second "assessment" insert ", *interest and any penalties*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1809, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Page 1, line 19, delete "or" and insert a comma and before the semicolon insert ", *or use of a minor to prepare an obscene work*"

Page 2, line 8, before the comma, insert "*or 617.246*"

Amend the title as follows:

Page 1, line 3, delete "and" and insert a comma

Page 1, line 4, before the semicolon, insert ", or use of a minor to prepare an obscene work"

The motion prevailed. So the amendment was adopted.

S.F. No. 1950, which the committee recommends to pass with the following amendment offered by Mr. Petty:

Page 5, line 29, after "319A," insert "or described in subdivision 7,"

Page 6, line 15, after "319A," insert "or described in subdivision 7,"

Page 6, line 27, after "1984" insert "or, in the case of a corporation described in subdivision 7, before April 1, 1984"

Page 40, line 23, delete "72,"

Page 40, line 24, after the period, insert "Section 72 is effective April 1, 1982."

The motion prevailed. So the amendment was adopted.

S.F. No. 1207, which the committee recommends to pass with the following amendments offered by Messrs. Stern and Dieterich:

Mr. Stern moved to amend S.F. No. 1207 as follows:

Page 1, after line 6, insert:

"Section 1. [LEGISLATIVE FINDING.]

*The legislature finds and determines that certain off-sale liquor licenses issued prior to the effective date of this act are now in a state of uncertainty because of differing interpretations of the meaning of "interest" under section 340.13, subdivision 3. Licenses have been issued by cities in good faith and business arrangements have been entered into in the belief that they fully met all statutory requirements. It is the intent of this act to permit these licenses and business arrangements to continue in effect to avoid unnecessary disruption in established business practice and to provide that no additional arrangements be given any exemption from the provisions of that subdivision so that the general purposes of that subdivision will be served."*

Page 1, delete line 22

Page 1, line 23, delete "under chapter 80C;"

Page 2, after line 14, insert:

*"No franchisor of any franchise agreement registered under chapter 80C shall be deemed to have or have had a pecuniary interest in any off-sale intoxicating liquor license if (1) at any time prior to the effective date of this act business was conducted at the location in accordance with a registered franchise agreement, or (2) a registered franchise agreement had been executed prior to July 1, 1980. Any franchise agreement meeting either of the preceding qualifications may be renewed, amended, innovated, or reexecuted after the effective date of this act.*

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective the day after final enactment."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "exemption" insert "from the multiple interest limitation on off-sale licenses"

Page 1, line 3, after "for" insert "pre-existing"

Page 1, line 3, delete "fees" and insert "agreements"

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend S. F. No. 1207 as follows:

Page 2, after line 14, insert:

"Sec. 4. [ST. PAUL; ADDITIONAL WINE LICENSES OUTSIDE LIQUOR PATROL LIMITS.]

*Notwithstanding any other law or the charter or ordinances of the city of St. Paul to the contrary, the city of St. Paul may issue two additional on-sale wine licenses; as defined in section 340.11, subdivision 20, for locations anywhere within the city of St. Paul.*

Sec. 5. [EFFECTIVE DATE.]

*Section 4 is effective upon approval by the city of St. Paul and compliance with section 645.021, subdivision 3."*

Amend the title as follows:

Page 1, line 3, after the semicolon insert "authorizing the issuance of two additional wine licenses outside the liquor patrol limit of the city of St. Paul;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1459, which the committee recommends to pass with the following amendment offered by Mr. Spear:

Amend the title as follows:

Page 1, line 12, delete "within 60 days"

The motion prevailed. So the amendment was adopted.

S.F. No. 929, which the committee recommends to pass, after the following motion:

The question was taken on the recommendation to pass S.F. No. 929.

The roll was called, and there were yeas 32 and nays 12, as follows:

Those who voted in the affirmative were:

Berglin	Frank	Lessard	Penny	Stokowski
Bertram	Hanson	Luther	Peterson, D.L.	Vega
Chmielewski	Hughes	Menning	Peterson, R.W.	Waldorf
Dahl	Johnson	Moe, D. M.	Petty	Wegener
Davis	Kroening	Moe, R. D.	Purfeerst	
Dicklich	Langseth	Olhoft	Renneke	
Dieterich	Lantry	Pehler	Stern	

Those who voted in the negative were:

Belanger	Kamrath	Lindgren	Ramstad	Tennessee
Bernhagen	Knutson	Merriam	Rued	Ulland
Frederickson	Kronebusch			

The motion prevailed. So S.F. No. 929 was recommended to pass.

On motion of Mr. Tennessee, 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 take up the Calendar. The motion prevailed.

### CALENDAR

S.F. No. 1812: A bill for an act relating to education; encouraging school districts to make efficient and effective use of the learning year; allowing a school district flexibility in scheduling hours and days of attendance; requiring state board approval; amending Minnesota Statutes 1980, Section 124.19, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Penny	Solon
Belanger	Frank	Lantry	Peterson, C.C.	Spear
Benson	Frederick	Lessard	Peterson, D.L.	Stern
Berg	Frederickson	Lindgren	Peterson, R.W.	Stokowski
Berglin	Hanson	Luther	Petty	Stumpf
Bernhagen	Hughes	Menning	Pillsbury	Taylor
Bertram	Humphrey	Merriam	Purfeerst	Tennessee
Chmielewski	Johnson	Moe, D. M.	Ramstad	Vega
Dahl	Kamrath	Moe, R. D.	Renneke	Waldorf
Davis	Knutson	Nelson	Rued	Willet
Dicklich	Kroening	Olhoft	Schmitz	
Dieterich	Kronebusch	Pehler	Setzepfandt	

So the bill passed and its title was agreed to.

S.F. No. 1625: A bill for an act relating to state lands; providing for the conveyance of certain lands to the heirs of John G. and Ruby A. Handberg.

Was read the third time 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	Engler	Langseth	Peterson, C.C.	Sikorski
Belanger	Frank	Lantry	Peterson, D.L.	Solon
Benson	Frederick	Lessard	Peterson, R.W.	Spear
Berg	Frederickson	Lindgren	Petty	Stern
Bernhagen	Hanson	Luther	Pillsbury	Stokowski
Bertram	Hughes	Menning	Purfeerst	Stumpf
Brataas	Johnson	Merriam	Ramstad	Taylor
Dahl	Kamrath	Moe, R. D.	Renneke	Tennessee
Davies	Knoll	Nelson	Rued	Ulland
Davis	Knutson	Pehler	Schmitz	Vega
Dicklich	Kronebusch	Penny	Setzepfandt	Wegener

Those who voted in the negative were:

Chmielewski Moe, D. M. Sieloff Waldorf Willet  
 Kroening Olhoft

So the bill passed and its title was agreed to.

S.F. No. 1791: A bill for an act relating to the joint exercise of powers between governmental units; authorizing governmental units to provide services for other governmental units; amending Minnesota Statutes 1980, Section 471.59, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Penny	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	Stokowski
Berglin	Frederickson	Lindgren	Pillsbury	Stumpf
Bernhagen	Hanson	Luther	Purfeerst	Taylor
Bertram	Hughes	Menning	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	Knutson	Pehler	Sieloff	Willet

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1790: A bill for an act relating to municipal planning; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; amending Minnesota Statutes 1980, Sections 462.352, Subdivision 2; 462.357, Subdivision 6; 462.358, Subdivision 1a; and 462.36, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 462.

Was read the third time 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	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	Hughes	Merriam	Ramstad	Tennessee
Brataas	Humphrey	Moe, D. M.	Renneke	Ulland
Chmielewski	Johnson	Moe, R. D.	Rued	Vega
Dahl	Kamrath	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sieloff	Willet

So the bill passed and its title was agreed to.



S.F. No. 1970: A bill for an act relating to local government; creating the Morrison County rural development finance authority; authorizing the establishment of a development and redevelopment program and the authorization of powers for it.

Was read the third time 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	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	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

So the bill passed and its title was agreed to.

S.F. No. 1792: A bill for an act relating to towns; authorizing certain towns to exercise special powers by affirmative vote of the town electors; requiring notice; amending Minnesota Statutes 1980, Section 368.01, Subdivisions 1, 30, and by adding subdivisions.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Penny	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	Stokowski
Berglin	Frederickson	Lindgren	Pillsbury	Taylor
Bernhagen	Hanson	Luther	Purfeerst	Tennessee
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Merriam	Renneke	Vega
Chmielewski	Johnson	Moe, D. M.	Rued	Waldorf
Dahl	Kamrath	Moe, R. D.	Schmitz	Wegener
Davies	Knoll	Olhoft	Setzepfandt	Willet
Davis	Knutson	Pehler	Sieloff	

So the bill passed and its title was agreed to.

S.F. No. 1683: A bill for an act relating to metropolitan government; providing for the allocation of certain sewage costs; amending Minnesota Statutes 1980, Section 473.517, 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 27 and nays 38, as follows:

Those who voted in the affirmative were:

Ashbach	Dahl	Kamrath	Pillsbury	Taylor
Bang	Engler	Knutson	Ramstad	Ulland
Belanger	Frank	Kronebusch	Renneke	Wegener
Benson	Frederick	Lindgren	Rued	
Bernhagen	Frederickson	Pehler	Schmitz	
Brataas	Hughes	Peterson, D.L.	Setzepfandt	

Those who voted in the negative were:

Berglin	Humphrey	Menning	Peterson, R. W.	Stokowski
Bertram	Johnson	Merriam	Petty	Stumpf
Chmielewski	Knoll	Moe, D. M.	Purfeerst	Tenessen
Davies	Kroening	Moe, R. D.	Sieloff	Vega
Davis	Langseth	Nelson	Sikorski	Waldorf
Dicklich	Lantry	Olhoft	Solon	Willet
Dieterich	Lessard	Penny	Spear	
Hanson	Luther	Peterson, C.C.	Stern	

So the bill failed to pass.

S.F. No. 1814: A bill for an act relating to the city of Maplewood; authorizing a project and the issuance of revenue bonds.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 5, as follows:

Those who voted in the affirmative were:

Bang	Engler	Kronebusch	Penny	Spear
Belanger	Frank	Langseth	Peterson, C.C.	Stern
Benson	Frederick	Lantry	Petty	Stokowski
Berglin	Frederickson	Lessard	Purfeerst	Stumpf
Bernhagen	Hanson	Lindgren	Ramstad	Taylor
Bertram	Hughes	Luther	Renneke	Ulland
Brataas	Humphrey	Menning	Rued	Vega
Chmielewski	Johnson	Moe, D. M.	Schmitz	Waldorf
Dahl	Kamrath	Moe, R. D.	Setzepfandt	Wegener
Davis	Knoll	Nelson	Sieloff	Willet
Dicklich	Knutson	Olhoft	Sikorski	
Dieterich	Kroening	Pehler	Solon	

Those who voted in the negative were:

Davies	Merriam	Peterson, D.L.	Peterson, R. W.	Tenessen
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So the bill passed and its title was agreed to.

S.F. No. 1837: A bill for an act relating to health; establishing a permanent council on health promotion and wellness; proposing new law coded in Minnesota Statutes, Chapter 145.

Was read the third time 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	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	Tennesen
Bernhagen	Hughes	Merriam	Renneke	Ulland
Bertram	Humphrey	Moe, D. M.	Rued	Vega
Brataas	Johnson	Moe, R. D.	Schmitz	Waldorf
Chmielewski	Kamrath	Nelson	Setzepfandt	Wegener
Dahl	Knutson	Olhoft	Sieloff	Willet
Davies	Kroening	Pehler	Sikorski	
Davis	Kronebusch	Penny	Solon	
Dieterich	Langseth	Peterson, D.L.	Spear	

Ms. Berglin, Messrs. Dicklich and Peterson, C.C. voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1605: A bill for an act relating to public welfare; requiring audits of nursing home cost reports; amending Minnesota Statutes 1980, Sections 256B.27, Subdivision 2a; and 256B.35, 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 59 and nays 6, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kronebusch	Penny	Sieloff
Bang	Frank	Langseth	Peterson, C.C.	Sikorski
Belanger	Frederick	Lantry	Peterson, D.L.	Solon
Benson	Frederickson	Lessard	Peterson, R.W.	Stokowski
Bernhagen	Hanson	Lindgren	Petty	Stumpf
Bertram	Hughes	Luther	Pillsbury	Taylor
Brataas	Humphrey	Menning	Purfeerst	Tennesen
Chmielewski	Johnson	Merriam	Ramstad	Ulland
Dahl	Kamrath	Moe, D. M.	Renneke	Vega
Davies	Knoll	Moe, R. D.	Rued	Waldorf
Dicklich	Knutson	Nelson	Schmitz	Willet
Dieterich	Kroening	Olhoft	Setzepfandt	

Those who voted in the negative were:

Berglin	Pehler	Spear	Stern	Wegener
Davis				

So the bill passed and its title was agreed to.

S.F. No. 1805: A bill for an act relating to transportation; providing for the construction of a new bridge crossing the Mississippi River at Wabasha.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 21 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Kamrath	Ramstad	Ulland
Belanger	Chmielewski	Knutson	Renneke	
Benson	Engler	Lindgren	Rued	
Berg	Frederick	Peterson, D.L.	Sieloff	
Bernhagen	Frederickson	Pillsbury	Taylor	

Those who voted in the negative were:

Bertram	Hughes	Lessard	Penny	Spear
Dahl	Humphrey	Luther	Peterson, C. C.	Stern
Davies	Johnson	Menning	Peterson, R. W.	Stokowski
Davis	Knoll	Merriam	Petty	Stumpf
Dicklich	Kroening	Moe, R. D.	Schmitz	Tennessee
Dieterich	Kronebusch	Nelson	Setzepfandt	Vega
Frank	Langseth	Olhoft	Sikorski	Wegener
Hanson	Lantry	Pehler	Solon	Willet

So the bill failed to pass.

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. Tennessee in the chair.

After some time spent therein, the committee arose, and Mr. Tennessee reported that the committee had considered the following:

S.F. Nos. 1886, 1908, 2111, 1022, 1130, 1907, 1758, 2048, 1631, 1523, 1818, 1761, 1640, 2141, 1879, 1801, 1987, 1623, 2035, 1541, 1957, 1869, 1775, 419, 276, 1421, 1666, 1670, 1842, 1078, 1630, 1967, 1865, 518, 2000, 2121, 1955, 1221, 63, and H.F. Nos. 1366, 12, 1948, 1646, 1336, 1120, 1713, 1726, 1622 and 1955, which the committee recommends to pass.

S.F. No. 1482, which the committee recommends be returned to its author.

S.F. No. 1890, which the committee recommends be returned to the Committee on Judiciary.

S.F. No. 1533, which the committee recommends be returned to the Committee on Agriculture and Natural Resources.

S.F. No. 1715, which the committee recommends to pass with the following amendment offered by Mr. Petty:

Page 2, lines 3 to 18, delete the new language and insert "Any incumbent of a position referred to in subdivisions 9 to 16 and subdivision 17, clause (b), shall be appointed to the position on the effective date of the subdivisions, and shall have the right to return to his permanent civil service classification pursuant to Laws 1969, Chapter 937, Section 2."

The motion prevailed. So the amendment was adopted.

S.F. No. 1718, which the committee recommends to pass with the following amendment offered by Mr. Spear:

Page 1, line 15, after the period, insert: "In addition to the limitations of section 462C.03, subdivision 10, and 462C.05, subdivision 2, at least 30 percent of the dwelling units financed with bonds issued pursuant to chapter 462C and located in a development district within the city of Minneapolis shall be held for occupancy by persons and families of moderate income."

The motion prevailed. So the amendment was adopted.

S.F. No. 1522, which the committee recommends to pass with the following

amendment offered by Mr. Wegener:

Page 2, after line 3, insert:

“Sec. 3. Minnesota Statutes 1980, Section 368.01, Subdivision 1, is amended to read:

Subdivision 1. [TOWNS DESCRIBED.] Any town ~~in this state~~ having therein platted portions in which there reside 1,200 or more people or any towns having platted area within 20 miles of the city hall of a city of the first class having over 200,000 population shall have and possess the powers ~~as are~~ enumerated in this section. The town board thereof may adopt, amend, or repeal ~~such~~ ordinances, rules, and bylaws for any purposes ~~so~~ enumerated as it deems expedient.

Sec. 4. Minnesota Statutes 1980, Section 368.01, is amended by adding a subdivision to read:

*Subd. 1a. [CERTAIN OTHER TOWNS.] Any town with a population of 1,000 or more according to the most recent federal decennial census that does not otherwise qualify pursuant to subdivision 1 to exercise the powers enumerated in this section, shall have and possess the enumerated powers upon an affirmative vote of the electors of the town at the annual town meeting.*

Sec. 5. Minnesota Statutes 1980, Section 368.01, Subdivision 30, is amended to read:

Subd. 30. [NOTICE TO COUNTY AUDITOR AND SECRETARY OF STATE.] The town clerk of each town exercising special powers pursuant to this section shall so notify in writing the county auditor of the county ~~wherein~~ ~~such~~ in which the town is located and the secretary of state. The written notice shall be filed by the county auditor and the secretary of state as a public record.

Sec. 6. Minnesota Statutes 1980, Section 368.01, is amended by adding a subdivision to read:

*Subd. 31. [CONTINUING AUTHORITY TO EXERCISE POWERS.] If a town exercises a power pursuant to this section it may continue to exercise the power notwithstanding any subsequent change in population.*

Sec. 7. [NOTICE.]

*A town exercising a power pursuant to Minnesota Statutes, Section 368.01 on or before the effective date of this act which has not notified the county auditor of the county in which the town is located shall do so and shall notify the secretary of state as provided in Minnesota Statutes, Section 368.01, Subdivision 30.*

Sec. 8. Minnesota Statutes 1980, Section 462.352, Subdivision 2, is amended to read:

Subd. 2. “Municipality” means any city, including a city operating under a home rule charter, and any town ~~having the powers of statutory cities pursuant to section 368.01.~~

Sec. 9. Minnesota Statutes 1980, Section 462.357, Subdivision 6, is amended to read:

Subd. 6. [APPEALS AND ADJUSTMENTS.] Appeals to the board of

appeals and adjustments may be taken by any affected person upon compliance with any reasonable conditions imposed by the zoning ordinance. The board of appeals and adjustments has the following powers with respect to the zoning ordinance:

(1) To hear and decide appeals where it is alleged that there is an error in any order, requirement, decision, or determination made by an administrative officer in the enforcement of the zoning ordinance.

(2) To hear requests for variances from the literal provisions of the ordinance in instances where their strict enforcement would cause undue hardship because of circumstances unique to the individual property under consideration, and to grant such variances only when it is demonstrated that such actions will be in keeping with the spirit and intent of the ordinance. *“Undue hardship” as used in connection with the granting of a variance means the property in question cannot be put to a reasonable use if used under conditions allowed by the official controls, the plight of the landowner is due to circumstances unique to his property not created by the landowner, and the variance, if granted, will not alter the essential character of the locality. Economic considerations alone shall not constitute an undue hardship if reasonable use for the property exists under the terms of the ordinance.* Undue hardship also includes, but is not limited to, inadequate access to direct sunlight for solar energy systems. Variances shall be granted for earth sheltered construction as defined in section 116H.02, subdivision 3, when in harmony with the ordinance. The board of appeals and adjustments or the governing body as the case may be, may not permit as a variance any use that is not permitted under the ordinance for property in the zone where the affected person's land is located. The board or governing body as the case may be, may permit as a variance the temporary use of a one family dwelling as a two family dwelling. The board or governing body as the case may be may impose conditions in the granting of variances to insure compliance and to protect adjacent properties.

Sec. 10. Minnesota Statutes 1980, Section 462.358, Subdivision 1a, is amended to read:

Subd. 1a. [AUTHORITY.] To protect and promote the public health, safety, and general welfare, to provide for the orderly, economic, and safe development of land, to preserve agricultural lands, to promote the availability of housing affordable to persons and families of all income levels, and to facilitate adequate provision for transportation, water, sewage, storm drainage, schools, parks, playgrounds, and other public services and facilities, a municipality may by ordinance adopt subdivision regulations establishing standards, requirements, and procedures for the review and approval or disapproval of subdivisions. The regulations may contain varied provisions respecting, and be made applicable only to, certain classes or kinds of subdivisions. The regulations shall be uniform for each class or kind of subdivision.

A municipality may by resolution extend the application of its subdivision regulations to unincorporated territory located within two miles of its limits in any direction but not in a town which has adopted subdivision regulations; provided that where two or more noncontiguous municipalities have boundaries less than four miles apart, each is authorized to control the subdivision of land equal distance from its boundaries within this area. ~~However, if a municipality extends the application of its subdivision or zoning regulations to unin-~~

incorporated territory, upon the petition of any county board or town board affected by the subdivision or zoning regulations, a joint board shall be established consisting of a three member committee with one member appointed from each of the municipal, town and county governing bodies. This joint board shall adopt zoning and subdivision regulations under sections 462.351 to 462.364 for the entire area within two miles of the city located within a town, and designate one of the governing bodies to serve as the governing body and board of appeals and adjustment for purposes of sections 462.357 and 462.358 within the area. During the time before the joint board adopts subdivision regulations, the subdivision regulations which the municipality has extended shall apply.

Sec. 11. [462.3585] [JOINT PLANNING BOARD.]

*Upon request of a home rule charter or statutory city council or county or town board by resolution presented to the county auditor of the county of the affected territory a board shall be established to exercise planning and land use control authority in the unincorporated area within two miles of the corporate limits of a city. The board shall have members in a number determined by the city, county, and town. Each governmental unit shall have an equal number of members. The members shall be appointed from the governing bodies of the city, county, and town. Upon request of more than one county or town board with respect to the unincorporated area within two miles of the corporate limits of a single city, the parties may create one board rather than a separate board for each county or town, with equal membership from each affected governmental unit. The board shall serve as the governing body and board of appeals and adjustments for purposes of sections 462.351 to 462.364 within the two-mile area. The board shall have all of the powers contained in sections 462.351 to 462.364 and shall have authority to adopt and enforce the uniform fire code promulgated pursuant to section 299F.011. The city shall provide staff for the preparation and administration of land use controls unless otherwise agreed by the governmental units.*

Sec. 12. [462.3595] [CONDITIONAL USE PERMITS.]

*Subdivision 1. [AUTHORITY.] The governing body may by ordinance designate certain types of developments, including planned unit developments, and certain land development activities as conditional uses under zoning regulations. Conditional uses may be approved by the governing body or other designated authority by a showing by the applicant that the standards and criteria stated in the ordinance will be satisfied. The standards and criteria shall include both general requirements for all conditional uses, and insofar as practicable, requirements specific to each designated conditional use.*

*Subd. 2. [PUBLIC HEARINGS.] Public hearings on the granting of conditional use permits shall be held in the manner provided in section 462.357, subdivision 3.*

*Subd. 3. [DURATION.] A conditional use permit shall remain in effect as long as the conditions agreed upon are observed, but nothing in this section shall prevent the municipality from enacting or amending official controls to change the status of conditional uses.*

*Subd. 4. [FILING OF PERMIT.] A certified copy of any conditional use permit shall be filed with the county recorder or registrar of titles of the county*

or counties in which the municipality is located for record. The conditional use permit shall include the legal description of the property included.

Sec. 13. Minnesota Statutes 1980, Section 462.36, Subdivision 1, is amended to read:

Subdivision 1. [REQUIRED DOCUMENTS.] A certified copy of every ordinance, resolution, map, or regulation adopted, or variance granted under the provisions of sections ~~462.358 and 462.357~~ to 462.359 and ~~amendments thereto~~ sections 3 and 4 of this act shall be filed with the county recorder of the county or counties in which the municipality adopting it is located. Ordinances, resolutions, maps or regulations filed with the county recorder pursuant to this subdivision do not constitute encumbrances on real property. *The order issued by the governing body or board of appeals and adjustments as the case may be, shall include the legal description of the property involved.*

Sec. 14. Minnesota Statutes 1980, Section 471.59, is amended by adding a subdivision to read:

*Subd. 10. [SERVICES PERFORMED BY GOVERNMENTAL UNITS; COMMONALITY OF POWERS.] Notwithstanding the provisions of subdivision 1 requiring commonality of powers between parties to any agreement, the governing body of any governmental unit as defined in subdivision 1 may enter into agreements with any other governmental unit to perform on behalf of that unit any service or function which the governmental unit providing the service or function is authorized to provide for itself.*

Page 2, after line 10, insert:

*“Sec. 16. [EFFECTIVE DATE.] Sections 1 to 8, 10, 11, and 15 are effective the day following final enactment. Sections 9, 12, and 13 are effective January 1, 1983.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon insert “authorizing certain towns to exercise special powers by affirmative vote of the town electors; requiring notice; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; authorizing governmental units to provide services for other governmental units;”

Page 1, line 6, before “and” insert “368.01, Subdivisions 1, 30, and by adding subdivisions; 462.352, Subdivision 2; 462.357, Subdivision 6; 462.358, Subdivision 1a; 462.36, Subdivision 1; 471.59, by adding a subdivision;”

Page 1, line 7, before the period insert “; proposing new law coded in Minnesota Statutes, Chapter 462”

The motion prevailed. So the amendment was adopted.

H.F. No. 1456, which the committee reports progress, subject to the following motions:

Mr. Sieloff moved that the amendment made to H.F. No. 1456 by the Committee on Rules and Administration in the report adopted March 2, 1982,



pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Sieloff then moved to amend H.F. No. 1456, as follows:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1980, Section 488A.27, Subdivision 11, is amended to read:

Subd. 11. [PROSECUTING ATTORNEYS.] Except where the county attorney is specifically designated by law as the prosecutor for the particular violation charged, the attorney of the municipality in which the violation is alleged to have occurred shall have charge of the prosecution of all violations of statutes, *including gross misdemeanor violations*, ordinances, charter provisions, rules or regulations triable in this court and shall prepare complaints for ~~said~~ the violations.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete “Section” and insert “Sections 488A.27, Subdivision 11; and”

The motion prevailed. So the amendment was adopted.

H.F. No. 1456 was then progressed.

S.F. No. 1561, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Page 1, after line 12, insert:

“Section 1. Minnesota Statutes 1980, Section 256.978, is amended to read:

256.978 [LOCATION OF PARENTS DESERTING THEIR CHILDREN, ACCESS TO RECORDS.]

The commissioner of public welfare, in order to *carry out the child support enforcement program and to assist in the locating of fathers and mothers location of parents* who have, or appear to have, deserted their children, may request ~~and shall receive~~ information from the records of all departments, boards, bureaus or other agencies of this state ~~and they~~, which shall, notwithstanding the provisions of section 290.61, section 268.12, subdivision 12 or any other ~~existing~~ law to the contrary, provide ~~such the information as is~~ necessary for this purpose. ~~Only~~ Information ~~directly bearing on relative to~~ the identity ~~and~~, whereabouts, *employment, income, and property* of a person owing or alleged to be owing an obligation of support ~~shall may~~ be requested and used or transmitted by the commissioner pursuant to the authority conferred by this section. The commissioner of public welfare may make such information available only to public officials and agencies of this state and its political subdivisions and other states of the union and their political subdivisions who are seeking to ~~locate mothers and fathers~~ *enforce the support liability of parents or to locate parents* who have, or appear to have, deserted their children; ~~for the purpose of enforcing their liability for support~~. Any person who, pursuant to this section, obtains information from the department of revenue the confidentiality of which is protected by law shall not divulge the information except to the extent necessary for the administration of the child

*support enforcement program or when otherwise authorized by law."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "authorizing release of information for location of certain parents of deserted children;"

Page 1, line 4, after "amending" insert "Minnesota Statutes 1980, Section 256.978;"

The motion prevailed. So the amendment was adopted.

S.F. No. 2055, which the committee recommends to pass with the following amendment offered by Mr. Merriam:

Page 1, line 12, delete everything after "use" and insert a period

Page 1, delete lines 13 and 14

Page 1, line 21, delete "HEATERS" and insert "BURNERS"

Page 2, line 1, delete "where any repair services" and insert a period

Page 2, delete lines 2 to 4 and insert:

*"Subd. 3. [PROHIBITION.] No person shall burn any waste oil in an approved waste oil burner if the waste oil does not conform with specifications for waste oil which may be burned under the rules of the pollution control agency as may be adopted for the regulation of hazardous waste pursuant to section 116.07."*

Amend the title as follows:

Page 1, line 3, delete "certain" and after "and" insert "commercial"

The motion prevailed. So the amendment was adopted.

S.F. No. 1894, which the committee recommends to pass with the following amendment offered by Mr. Waldorf:

Page 7, delete line 35 and insert "with a utility service area including the metropolitan area as defined in section 473.121, subdivision 2, that serves 50 or more Minnesota residential customers and uses a"

Page 8, line 1, delete "all" and insert "the"

The motion prevailed. So the amendment was adopted.

S.F. No. 1747, which the committee recommends to pass with the following amendments offered by Messrs. Willet and Knutson:

Mr. Willet moved to amend S. F. No. 1747 as follows:

Page 2, line 4, delete everything after the period

Page 2, delete lines 5 and 6 and insert "The commissioner may credit a refund to any other permit held by the same permit holder if the permit is delinquent as provided in section 90.181, subdivision 2, and may credit a refund to any other permit to which the permit holder requests that it be credited."

Page 2, line 12, delete "held by that permit holder" and insert "as provided

*in this subdivision*'

Page 2, delete lines 15 through 18

Page 2, line 21, after "may" insert "cancel the permit and"

Renumber the subdivisions in sequence

The motion prevailed. So the amendment was adopted.

Mr. Knutson moved to amend S.F. No. 1747 as follows:

Page 2, line 14, delete "\$1" and insert "\$50"

The motion prevailed. So the amendment was adopted.

S.F. No. 2006, which the committee recommends to pass with the following amendment offered by Mr. Nelson:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1980, Section 349.17, Subdivision 1, is amended to read:

Subdivision 1. No compensation shall be paid to any person in connection with a bingo occasion except an active member of the organization, or its auxiliary, or the spouse or surviving spouse of an active member, conducting the bingo occasion nor shall any person not an active member of the organization or its auxiliary or the spouse or surviving spouse of an active member participate in the conduct of a bingo occasion, except by resolution of a majority of the membership, recorded in the official minutes of the organization, non-management assistants who are not active members of the organization, or its auxiliary, or the spouse or surviving spouse of an active member, may be hired to assist members in conducting a bingo occasion. Compensation shall not exceed ~~\$20~~ \$50 for a bingo occasion."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "Section" and insert "Sections 349.17, Subdivision 1, and"

The motion prevailed. So the amendment was adopted.

S.F. No. 2125, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 1, after line 22, insert:

"Sec. 2. [508.545] [CONTRACTS FOR DEED; MODIFICATION.]

*Notwithstanding any law to the contrary, a renegotiated contract for deed or an agreement modifying the terms of a contract for deed which was valid at its inception shall not be construed as creating a mortgage or an equitable mortgage. This section does not modify any other requirements relating to contracts for deed.*

Sec. 3. Minnesota Statutes 1980, Section 559.21, Subdivision 1, is amended to read:

Subdivision 1. [DEFAULT; TERMINATION.] When default is made in the

conditions of any contract for the conveyance of real estate or any interest ~~therein~~ in it executed after July 30, 1976, and prior to May 1, 1980, whereby the vendor has a right to terminate ~~the same~~ it, he may do so by serving upon the purchaser, his personal representatives or assigns, either within or without the state, a notice specifying the conditions in which default has been made, and stating that the contract will terminate (1) 30 days after the service of the notice if the purchaser has paid less than 30 percent of the purchase price, exclusive of interest ~~thereon~~ on it, and any mortgages or prior contracts for deed which are assumed by the purchaser, (2) 45 days after service of the notice if the purchaser has paid 30 percent, or more, but less than 50 percent of the purchase price, exclusive of interest ~~thereon~~ on it, and any mortgages or prior contracts for deed which are assumed by the purchaser, (3) 60 days after service of the notice if the purchaser has paid 50 percent, or more, of the purchase price, exclusive of interest ~~thereon~~ on it, and any mortgages or prior contracts for deed which are assumed by the purchaser, unless prior thereto the purchaser complies with the conditions and pays the costs of service, the mortgage registration tax, if actually paid by the vendor, together with an amount to apply on attorneys' fees actually expended or incurred, of \$75 when the amount in default is less than \$750, and of \$200 when the amount in default is \$750 or more; provided, however, that no amount is required to be paid for attorneys' fees as provided hereunder, unless some part of the conditions of default has existed at least 45 days prior to the date of service of the notice.

Sec. 4. Minnesota Statutes 1980, Section 559.21, is amended by adding a subdivision to read:

*Subd. 1a. [DEFAULT; TERMINATION.] When default is made in the conditions of any contract for the conveyance of real estate or any interest in it, executed prior to August 1, 1976, whereby the vendor has a right to terminate it, he may do so by serving upon the purchaser, his personal representatives or assigns, either within or without the state, a notice specifying the conditions in which default has been made, and stating that the contract will terminate 30 days after the service of the notice unless prior thereto the purchaser complies with the conditions and pays the costs of service, together with an amount to apply on attorneys' fees actually expended or incurred, of \$50 when the amount in default is less than \$500, and of \$100 when the amount in default is \$500 or more; provided, however, that no amount shall be required to be paid for attorneys' fees as provided hereunder, unless some part of the conditions of default shall have existed at least 45 days prior to the date of service of the notice. The notice must be given notwithstanding any provisions in the contract to the contrary, and shall be served within the state in the same manner as a summons in the district court, without the state, in the same manner, and without securing any sheriff's return of not found, making any preliminary affidavit, mailing a copy of the notice or doing any other preliminary act or thing whatsoever. Service of the notice without the state may be proved by the affidavit of the person making it, made before an authorized officer having a seal, and within the state by an affidavit or by the return of the sheriff of any county."*

Page 1, after line 25, insert:

"Sec. 6. [EFFECTIVE DATE.]

*Section 2 is curative and is effective the day after final enactment as to all*

*modifications and renegotiations occurring before, on, or after that date."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "providing for the modification and extension of contracts for deed; providing dates for applicable laws relating to termination of contracts;"

Page 1, line 8, delete "Section" and insert "Sections"

Page 1, line 9, after "1;" insert "559.21, Subdivision 1, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 508;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1966, which the committee recommends to pass with the following amendment offered by Mr. Pehler:

Page 2, after line 13, insert:

"Sec. 2. [REPLACEMENT BUILDING, ST. CLOUD STATE UNIVERSITY.]

*The state university board is authorized to replace the existing building at the highway safety center at St. Cloud state university. Funding for the building shall be exclusively from earned revenue and shall not exceed \$28,000. For purposes of this section, "earned revenue" includes user fees."*

Page 2, line 15, delete "Section 1 is" and insert "Sections 1 and 2 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period, insert "; permitting the state university board to replace certain buildings"

The motion prevailed. So the amendment was adopted.

S.F. No. 1684, which the committee recommends to pass with the following amendment offered by Mr. Bang:

Page 2, line 17, after the period, insert "*In the case of fiduciary funds deposited with the bank, this insurance requirement may be met by depositing collateral security under section 48.74.*"

Page 2, line 30, after "banks" insert "or collateral security deposited under section 48.74"

Page 7, line 31, delete "clearly differentiates it from the"

Page 7, delete line 32

Page 7, line 33, delete "include" and insert "includes"

Page 7, line 33, after the period, insert "*A detached facility in existence on the effective date of this section must comply with this section by December 31, 1982.*"

Page 25, line 14, before "Minnesota" insert "Subdivision 1. [GENER-

ALLY.]”

Page 25, line 14, delete “47.16, Subdivision 2;”

Page 25, after line 18, insert:

“Subd. 2. [SECRETARY OF STATE FILING FEES.] *Minnesota Statutes 1980, Section 47.16, Subdivision 2, is repealed.*”

Page 25, line 20, after “to” insert “15, 17 to 29, and”

Page 25, line 20, after “30” insert “, Subdivision 1,”

Page 25, line 21, after the period, insert “Sections 16 and 30, Subdivision 2, are effective April 1, 1982.”

The motion prevailed. So the amendment was adopted.

H.F. No. 492, which the committee recommends to pass with the following amendment offered by Mr. Humphrey:

Page 1, after line 8, insert:

“Section 1. *Minnesota Statutes 1980; Section 244.09, Subdivision 2, is amended to read:*

Subd. 2. [MEMBERSHIP.] The sentencing guidelines commission shall consist of the following:

(1) The chief justice of the supreme court or his designee;

(2) Two district court judges appointed by the chief justice of the supreme court;

(3) One public defender appointed by the governor upon recommendation of the state public defender;

(4) One county attorney appointed by the governor upon recommendation of the board of governors of the county attorneys council;

(5) The commissioner of corrections or his designee;

(6) The chairman of the Minnesota corrections board or his designee; ~~and~~

(7) *One peace officer as defined in section 626.84 appointed by the governor; and*

(8) Two public members appointed by the governor.

One of the members shall be designated by the governor as chairman of the commission.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert “providing for appointment of a peace officer to the sentencing guidelines commission;”

Page 1, line 5, before “proposing” insert “amending *Minnesota Statutes 1980, Section 244.09, Subdivision 2;*”

The motion prevailed. So the amendment was adopted.

H.F. No. 1712, which the committee recommends to pass with the follow-

ing amendment offered by Mr. Frederickson:

Amend H. F. No. 1712, as amended pursuant to Rule 49, adopted by the Senate March 2, 1982, as follows:

(The text of the amended House File is identical to S. F. No. 1808.)

Page 4, after line 25, insert:

“Sec. 3. Minnesota Statutes 1981 Supplement, Section 252.27, Subdivision 2, is amended to read:

Subd. 2. ~~The commissioner of public welfare shall promulgate rules to determine the responsibility of the parents and the child to contribute to the cost of care and treatment based upon ability to pay.~~ Responsibility of the parents and of the child for the cost of care shall be up to a maximum of ten percent of the cost of care per month based upon ability to pay. The county board may establish a schedule of fees in accordance with section 256E.08, subdivision 6, to determine responsibility of the parents for the cost of care when:

(a) Insurance or other health care benefits pay some but not all of the cost of care; and

(b) No insurance or other health care benefits are available.

*In establishing the schedule of fees, the county board shall take into account the situation of a small business or other organization when utilization, by an employee or his dependent, of insurance or other health care benefits for the cost of care would have an impact on the ability of the business or other organization to continue offering insurance or other health benefit coverage to its employees.*

Responsibility of the child for the cost of care shall be up to the maximum amount of the total income and resources attributed to the child except for the clothing and personal needs allowance as provided in section 256B.35, subdivision 1. Reimbursement by the parents and child shall be made to the county making any payments for care and treatment. The county board may require payment of the full cost of caring for children whose parents or guardians do not reside in this state.

*To the extent that a child described in subdivision 1 is eligible for benefits under chapters 62A, 62C, 62D, 62E, or 64A, the county is not liable for the cost of care. A parent or legal guardian who discontinues payment of health insurance premiums, subscriber fees or enrollment fees for a child who is otherwise eligible for those benefits is ineligible for payment of the cost of care of that child under this section.*

The commissioner's determination shall be conclusive in any action to enforce payment of the cost of care. Any appeals from the commissioner's determination shall be made pursuant to section 256.045, subdivisions 2 and 3.”

Page 5, line 31, delete “15.0411” and insert “15.0412”

Reorder the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert “providing for parental responsi-

bility for the cost of care of mentally retarded, epileptic, or emotionally handicapped children based on ability to pay;"

Page 1, line 13, after "2;" insert "252.27, Subdivision 2;"

The motion prevailed. So the amendment was adopted.

H.F. No. 253, which the committee recommends to pass with the following amendments offered by Mr. Tennesen:

Mr. Tennesen moved to amend H. F. No. 253, the unofficial engrossment, as follows:

Page 1, line 20, after "to" insert "75 percent of"

Page 1, line 21, after "4," insert "but no less than ten percent,"

Page 2, line 15, after "to" insert "75 percent of"

Page 2, line 17, after "4," insert "but no less than ten percent,"

Page 3, line 14, after "to" insert "75 percent of"

Page 3, line 15, after "4" insert ", but no less than ten percent"

Page 3, line 32, after "to" insert "75 percent of"

Page 3, line 33, after "4" insert ", but no less than ten percent,"

Page 4, line 22, after "to" insert "75 percent of"

Page 4, line 24, after "4" insert ", but no less than ten percent"

Page 5, line 34, after "to" insert "75 percent of"

Page 5, line 35, after "4" insert ", but no less than ten percent,"

Page 6, line 31, after "to" insert "75 percent of"

Page 6, line 33, after "4" insert ", but no less than ten percent"

Page 7, line 1, after "to" insert "75 percent of"

Page 7, line 2, after "4," insert "but no less than ten percent,"

Page 7, line 7, after "to" insert "75 percent of"

Page 7, line 8, after "4," insert "but no less than ten percent,"

Page 7, line 23, after "to" insert "75 percent of"

Page 7, line 25, after "4" insert ", but no less than ten percent,"

The motion prevailed. So the amendment was adopted.

Mr. Tennesen then moved to amend H. F. No. 253, the unofficial engrossment, as follows:

Page 7, after line 33, insert:

"Sec. 8. [INTERIM LEGISLATIVE STUDY COMMISSION ON CONSUMER CREDIT.]

*Subdivision 1. [CREATION, MEMBERSHIP, MEETINGS.] The interim legislative study commission on consumer credit is composed of three senators of the majority party and two senators of the minority party appointed by the*



*subcommittee on committees of the committee on rules and administration, and three representatives of the majority party and two representatives of the minority party appointed by the speaker of the house. The commission shall be appointed and shall elect a chairman from among its members. Meetings of the commission shall be held at the times the commission determines.*

*Subd. 2. [PURPOSE, LEGISLATIVE FINDINGS.] The legislature finds that the current status of consumer credit legislation raises major questions of public policy. It further finds that many legislators need greater knowledge and experience in the area of consumer credit legislation. Therefore, the legislature declares the need for an interim staff function that will supply objective services in the areas of issue identification, policy option review, and access to outside professional resource persons.*

*Subd. 3. [GENERAL DUTIES.] The commission shall advise and assist other legislators and standing committees through:*

*(a) Identification of consumer credit issues, including the efficacy of the present scheme of creditor and interest rate regulation, the policy of allowing Minnesota income tax deductions for consumer credit interest expenditures, and the need for greater consumer protections, that may require legislative involvement in the 1983 legislative session;*

*(b) Improving legislator understanding of technical aspects of issues that come before the legislature;*

*(c) Assuring adequate access to the testimony and counsel of experts on various consumer credit issues;*

*(d) Sponsoring seminars or other learning experiences that improve legislator understanding of consumer credit issues.*

*Subd. 4. [CONSUMER CREDIT RESOURCE COUNCIL.] The commission shall establish a consumer credit resource council composed of 15 members from the consumer credit industry and consumer groups of Minnesota. The membership of the council shall appoint replacements to fill expired terms and vacancies caused by death, disability, or resignation. The council shall meet upon the call of the chairman or the request of a majority of the council's members. The chairman may create and abolish subcommittees. All council members shall serve without compensation.*

*The council may advise and assist the commission on:*

*(a) Holding seminars on consumer credit issues that will provide information to legislators;*

*(b) Defining consumer credit issues that will be important in the future and that may require legislative encouragement, prohibition, or regulation;*

*(c) Reviewing documents prepared by legislative staff on consumer credit issues; and*

*(d) Maintaining access to a pool of specialists and experts who can assist the legislature in consideration of consumer credit policy issues.*

*Subd. 5. [STAFF AND APPROPRIATIONS FOR THE COMMISSION.] The legislative coordinating commission shall be responsible for staffing and appropriations to the commission as provided in Minnesota Statutes 1981*

*Supplement, Section 3.304, Subdivision 2a. The legislative coordinating commission may delegate staffing responsibilities to an existing staff office of the house of representatives or the senate, a joint legislative committee or office, or a state agency.*

*The legislative coordinating commission may accept and receive, on behalf of the commission, any grants, gifts, or other funds made available to the state for purposes consistent with this section.*

*Subd. 6. [REPORT OF COMMISSION.] The commission shall issue its report on or before December 31, 1982.*

Sec. 9. [EFFECTIVE DATE.]

*Section 8 is effective the day after final enactment."*

Amend the title as follows:

Page 1, line 2, delete "state lands and tax-forfeited land sales" and insert "interest rates"

Page 1, line 3, after "balances" insert "for state lands and tax-forfeited land sales; creating an interim legislative study commission on consumer credit"

The motion prevailed. So the amendment was adopted.

Mr. Tennesen then moved to amend H.F. No. 253, the unofficial engrossment, as follows:

Page 1, line 21, delete "4" and insert "4a"

Page 2, line 17, delete "4" and insert "4a"

Page 3, lines 15 and 33, delete "4" and insert "4a"

Page 4, line 24, delete "4" and insert "4a"

Page 5, line 35, delete "4" and insert "4a"

Page 6, line 33, delete "4" and insert "4a"

Page 7, lines 8 and 25, delete "4" and insert "4a"

The motion prevailed. So the amendment was adopted.

S.F. No. 1840, which the committee recommends to pass with the following amendment offered by Mr. Tennesen:

Page 3, lines 7 and 13, reinstate the stricken "five"

Page 3, lines 8 and 13, delete "seven"

The motion prevailed. So the amendment was adopted.

S.F. No. 1588, which the committee recommends to pass with the following amendment offered by Mr. Tennesen:

Page 2, line 21; delete "21" and insert "16"

Page 2, delete lines 22 to 36

Page 3, delete lines 1 to 11 and insert "Three members of the senate to be appointed by the committee on committees; three members of the house of representatives to be appointed by the speaker; five public members to be

appointed by the senate subcommittee on committees; and five public members to be appointed by the speaker of the house.

Two representatives and two senators shall be appointed from the majority caucus in each house and one representative and one senator from the minority caucus in each house. The public members shall broadly represent the various geographic areas, interests, and local governments in the state. At least two members shall be appointed from each of the following organizations:

(a) The league of cities, at least one of whom shall be an official of a city of less than 2,500 population;

(b) the association of Minnesota counties, at least one of whom shall be an official of a county outside of the metropolitan area;

(c) The Minnesota association of townships;

(d) The Minnesota association of regional commissions;

(e) The Minnesota school boards association.

All members appointed pursuant to clauses (a) to (e) shall be elected local government officials."

The motion prevailed. So the amendment was adopted.

S.F. No. 19, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 2, line 4, before "If" insert "If the court awards costs and expenses, including attorneys' fees, and"

The motion prevailed. So the amendment was adopted.

On motion of Mr. Tennesen, 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 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. Waldorf introduced—

S.F. No. 2197: A bill for an act relating to nursing homes; requiring new procedures for determining nursing home rates; amending Minnesota Statutes 1980, Sections 256B.41; 256B.47; and 256B.48; proposing new law coded in Minnesota Statutes, Chapter 256B; repealing Minnesota Statutes 1980, Sections 256B.42; 256B.43; 256B.44; 256B.45; and 256B.46.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Dahl introduced—

S.F. No. 2198: A bill for an act relating to commuter vehicles; providing a tax credit for corporations operating a ride-sharing program; providing a com-

muter vehicle investment tax credit; creating a vehicle registration category and setting vehicle registration fees for commuter vehicles; amending Minnesota Statutes 1980, Sections 168.011, by adding a subdivision; 168.013, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Olhoft, Sieloff and Chmielewski introduced—

S.F. No. 2199: A bill for an act relating to education; establishing a demonstration grant program for elementary pupils; appropriating money.

Referred to the Committee on Education.

Mr. Dicklich introduced—

S.F. No. 2200: A bill for an act relating to taxation; subjecting certain taconite production capacity to the taconite tax; amending Minnesota Statutes 1980, Section 298.24, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Ulland, Benson, Frederickson, Lindgren and Berg introduced—

S.F. No. 2201: A bill for an act relating to workers' compensation; changing benefits; providing for rehabilitation; requiring notices of injury; providing for the release of medical data; regulating supplemental benefits; providing for benefit adjustments; providing for various studies; defining terms; providing for continuance of certain insurance coverages; amending Minnesota Statutes 1980, Sections 62A.10, Subdivision 10; 62C.14, by adding a subdivision; 62D.10, by adding a subdivision; 176.011, Subdivision 3, and by adding subdivisions; 176.111, Subdivision 18; 176.131, Subdivisions 1, 1a, and 8; 176.132, Subdivision 1; 176.235, by adding a subdivision; and 176.641; Minnesota Statutes 1981 Supplement, Sections 176.021, Subdivision 3; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.221, Subdivisions 1, 2, and 3; and 176.645, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 176; repealing Minnesota Statutes 1980, Sections 176.011, Subdivisions 14 and 18; 176.095; 176.101, as amended; 176.102, as amended; 176.105, as amended; 176.111, as amended; and 176.235, Subdivisions 1 and 2; Minnesota Statutes 1981 Supplement, Sections 176.021, Subdivision 3a; and 176.152.

Referred to the Committee on Employment.

Messrs. Ulland, Frederickson and Benson introduced—

S.F. No. 2202: A bill for an act relating to workers' compensation; replacing the current law with law based on that recently enacted by the state of Florida; proposing new law coded as Minnesota Statutes, Chapter 176; repealing Minnesota Statutes 1980, Chapter 176, as amended.

Referred to the Committee on Employment.

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that H.F. No. 1220 be withdrawn from the Com-

mittee on Rules and Administration and re-referred to the Committee on Employment. The motion prevailed.

Ms. Berglin moved that her name be stricken as chief author and Mr. Peterson, C.C. be added as chief author to S.F. No. 1579. 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, with the exception of the report on H.F. No. 1555. 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. 2036: A bill for an act relating to municipal industrial development; defining development projects; amending Minnesota Statutes 1980, Section 474.02, Subdivision 1b.

Reports the same back with the recommendation that the report from the Committee on Governmental Operations, shown in the Journal for February 24, 1982, be amended to read:

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was re-referred

H.F. No. 2066: A bill for an act relating to local government; providing for city facilities related to armories; authorizing issuance of bonds; proposing new law coded in Minnesota Statutes, Chapter 193.

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 referred under Rule 35, together with the committee report thereon,

S.F. No. 1532: A bill for an act relating to taxation; permitting the city of Lonsdale to impose a special levy for fire protection purposes.

Reports the same back with the recommendation that the report from the Committee on Local Government and Urban Affairs, shown in the Journal for February 18, 1982, be amended to read:

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was re-referred

S.F. No. 1242: A bill for an act relating to state employees; creating an incentive pay program; proposing new law coded in Minnesota Statutes, Chapter 16.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Public Employees and Pensions. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was re-referred

S.F. No. 588: A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; revising certain restrictions on highway bonds.

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 re-referred

S.F. No. 303: A bill for an act proposing an amendment to the Minnesota Constitution, Article X, adding a section; authorizing parimutuel betting on races if authorized by law; dedicating earnings to social services for compulsive gamblers and to combatting organized crime.

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. 2127: A resolution memorializing the President and Congress of the United States to take immediate steps to curb the sources of acid rain.

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

Senate Concurrent Resolution No. 12: A Senate concurrent resolution expressing the importance of clean air and urging the Minnesota Pollution Control Agency to maintain strong air quality standards that will fully provide the necessary protection for the State of Minnesota.

Reports the same back with the recommendation that the resolution do pass. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1847: A bill for an act relating to agriculture; formulating a state agricultural land preservation policy; imposing duties on state agencies regarding agency actions adversely affecting agricultural land; continuing the existence of the joint legislative committee on agricultural land preservation; allocating certain state cost-sharing funds for high priority soil erosion, sedimentation and water control problems identified by local soil and water conservation districts; imposing duties on state and local soil and water conservation boards; providing technical and administrative assistance grants to local districts; requiring coordination of state soil and water conservation programs with other public agencies; establishing a conservation tillage demonstration program; appropriating money; amending Minnesota Statutes 1980, Sections 15.0412, by adding a subdivision; 40.03, Subdivision 4; 40.036; 40.07, Sub-

division 9; and Laws 1979, Chapter 315, Section 2; proposing new law coded in Minnesota Statutes, Chapters 17 and 40; repealing Minnesota Statutes 1980, Section 473H.13; and Laws 1979, Chapter 315, Section 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 26, after "PRESERVATION" insert "AND CONSERVATION"

Page 3, line 16, after "use" insert "*except acquisition for any unit of the outdoor recreation system described in section 86A.05, other than a trail described in subdivision 4 of that section*"

Page 3, line 19, after "use" insert "*except for mineral exploration or mining*"

Page 3, line 22, delete everything after "land"

Page 3, line 23, delete everything before "which" and delete "currently"

Page 3, line 24, after "use" insert a comma and delete "is either" and insert "has been"

Page 3, line 24, after "land" insert "by a local unit of government"

Page 3, line 24, after "pursuant" insert "to sections 394.21 to 394.37, 462.351 to 462.364, 366.10 to 366.19 or 473H.04,"

Page 3, line 25, delete everything before "or" and after "or" insert "which"

Page 3, line 27, delete "soil" and insert "land" and delete everything after "system"

Page 3, line 28, delete "conservation service" and delete "department" and insert "Department"

Page 3, line 29, delete "agriculture" and insert "Agriculture Soil Conservation Service and the county soil survey, if completed"

Page 3, delete lines 31 to 34 and insert "*use of land for the production of livestock, dairy animals, dairy products, poultry and poultry products, fur bearing animals, horticultural and nursery stock which is under sections 18.44 to 18.61, fruit of all kinds, vegetables, forage, grains, bees, and apiary products. Wetlands, pasture and woodlands accompanying land in agricultural use shall be considered to be in agricultural use.*"

Page 5, line 10, delete everything after "it" and insert "shall be deemed a recommendation that the agency take the action as proposed."

Page 5, line 18, after "2," insert "as amended by Laws 1981, Chapter 78, Section 1,"

Page 5, line 22, after "preservation" insert "and conservation"

Page 8, line 26, after "allocate" insert "not more than"

Page 8, line 28, delete "and" and insert "or"

Page 8, line 29, delete "identified in" and insert "based on"

Page 8, line 30, after "districts" insert "and statewide priorities established"

by the board”

Page 8, line 34, after “board” insert “for administrative expenses and”

Page 8, line 35, delete “expenses” and insert “assistance”

Page 9, line 35, delete everything after “(b)”

Page 9, delete line 36

Page 10, line 1, delete everything before “standards”

Page 13, line 5, delete “cultivation and”

Page 13, after line 9, insert:

“The board may establish guidelines for the implementation of this section. The guidelines need not be adopted as rules under chapter 15.”

Page 13, delete section 13

Page 13, line 24, delete “\$. . . . .” and insert “\$150,000”

Page 13, line 25, delete “13” and insert “12” and delete “\$. . . . .” and insert “\$100,000”

Page 13, after line 25, insert:

“(c) For staff support to implement \$ 50,000  
sections 8 to 12”

Page 13, line 33, delete “15” and insert “14”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after “preservation” insert “and conservation”

Page 1, line 20, after “2” insert “, as amended”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 2081: A bill for an act relating to agriculture; establishing an apiary account in the state treasury; appropriating money; amending Minnesota Statutes 1980, Section 19.19, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, delete “. The money in the”

Page 1, delete lines 15 to 24 and insert “and may be appropriated only for the purpose of enforcing and administering this chapter.”

Amend the title as follows:

Page 1, line 3, delete “appropriating money;”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.



Mr. Johnson from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 1947: 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, Subdivisions 10 and 13; 273.74, Subdivisions 1, 3 and 4, and by adding a subdivision; 273.75, Subdivisions 3, 4 and 6, and by adding a subdivision; 273.76, Subdivisions 1 and 4; and 273.77; and Minnesota Statutes 1981 Supplement, Section 273.74, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 29, after "right-of-way" insert "; or

*(5) The property consists of vacant, unused, underused, inappropriately used or infrequently used railyards, rail storage facilities or excessive or vacated railroad rights-of-way"*

Page 5, line 5, delete "45" and insert "30"

Page 5, line 6, after "transmittal" insert "by the authority"

Page 5, lines 17 to 19, delete the new language

Pages 6 and 7, delete section 6

Page 7, lines 26 and 27, delete "project" and insert "district"

Page 8, after line 4, insert:

"Sec. 7. Minnesota Statutes 1980, Section 273.75, Subdivision 2, is amended to read:

Subd. 2. [EXCESS TAX INCREMENTS.] In any year in which the tax increment exceeds the amount necessary to pay the costs authorized by the tax increment financing plan, including the amount necessary to cancel any tax levy as provided in section 475.61, subdivision 3, the authority shall use the excess amount to *do any of the following, in the order determined by the authority:* (a) prepay any outstanding bonds, (b) discharge the pledge of tax increment therefor, (c) pay into an escrow account dedicated to the payment of such bond, or ~~shall~~ (d) return the excess amount to the county auditor who shall distribute the excess amount to the municipality, county and school district in which the tax increment financing district is located in direct proportion to their respective mill rates."

Page 9, line 5, delete "or" and insert a comma

Page 9, line 5, after "recreational" insert "or conference"

Page 10, line 3, after "parcel" insert "that has been so eliminated subsequent to two years from the date of the original certification"

Page 10, line 33, delete "the" and insert "each economic development"

Page 10, line 35, delete "the percentage increase in the"

Page 10, delete line 36

Page 11, delete line 1

Page 11, line 2, delete "*property*" and insert "*the average percentage increase in the assessed valuation of all property included in the economic development district during the five years prior to certification of the district*"

Page 12, line 2, after the comma, insert "*excluding the assessed valuation of improvements for which a building permit was issued during the three month period immediately preceding said approval of the tax increment financing plan,*"

Page 17, line 3, delete "*project*" and insert "*district*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete ", and by adding a subdivision"

Page 1, line 7, after "Subdivisions" insert "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. 1460: A bill for an act relating to safety; imposing an additional fee for two-wheeled vehicle endorsements for motorcycle safety programs; providing for the disposition of the proceeds of the additional fee; exempting from the motor vehicle excise tax certain purchasers of motorized bicycles for resale; establishing an advisory committee on motorcycle safety; prescribing duties of the commissioners of public safety and education; establishing a fund; making a standard appropriation; amending Minnesota Statutes 1980, Sections 171.06, by adding a subdivision; 297B.035, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 126.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Johnson from the Committee on Taxes and Tax Laws, to which was re-referred

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; providing for the establishment and operation of watershed management organizations; authorizing counties, cities, and towns to bond for certain watershed improvements; 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 a subdivision; 112.43, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 473.

Reports the same back with the recommendation that the bill be amended as follows:

Page 7, line 36, delete everything after "*shall*"

Page 8, delete lines 1 and 2

Page 8, line 3, delete "*district*" and insert "*have boundaries which are*

*based upon negotiations among all local government units which may have territory within the district and adjacent watersheds and shall not cross county boundaries to include territory whose distinguishing characteristic is multiple drainage points into a primary river"*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1526: A bill for an act relating to taxation; real property; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; amending Minnesota Statutes 1980, Section 273.111, Subdivisions 9, 11, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete sections 1 and 2

Page 2, delete lines 25 to 31 and insert:

*"Subd. 11a. When real property qualifying under subdivisions 3 and 6 is sold, any additional taxes or deferred special assessments which would have become due and payable under this section shall be further deferred if the property continues to qualify under subdivisions 3 and 6 and if the new owner, on or before the date of the sale, files an application for continued deferment and an agreement to assume liability for the additional taxes and deferred special assessments plus interest which would have become due and payable.*

*The liability for additional taxes which is assumed by the new owner shall be reduced by any amount of additional taxes which may be extended against the property when the property again no longer qualifies under subdivisions 3 and 6, so that additional taxes are levied only with respect to the last three years that the property is valued and assessed under this section."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "eliminating" and insert "allowing further deferment of"

Page 1, line 6, delete "Subdivisions 9, 11, and"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

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.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 2 and insert:

“Sec. 2. Minnesota Statutes 1980, Section 84.82, is amended by adding a subdivision to read:

*Subd. 9. [COLLECTORS' SNOWMOBILES.] Any snowmobile that is at least 15 model years old and originally licensed as a separate identifiable make as designated by the manufacturer, and owned and operated solely as a collector's snowmobile, shall be listed for registration as follows: An affidavit shall be executed stating the make of the snowmobile, 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 one-time fee of \$25, in lieu of the fees required by subdivision 3, the registrar shall list such vehicle. The registration number so issued shall bear the most recent applied registration number. These numbers 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 registration for failure to comply with this subdivision. The provisions of sections 84.84 to 84.90 shall apply to snowmobiles registered pursuant to this subdivision.*

Sec. 3. Minnesota Statutes 1980, Section 84.83, is amended to read:

84.83 [DISPOSITION OF RECEIPTS.]

*Fees from registration of snowmobiles shall be deposited with the state treasurer to the credit of the general in the snowmobile trail fund. Subject to appropriation by the legislature, the snowmobile trail fund is available only for expenditure by the commissioner for the acquisition, construction and maintenance of snowmobile trails, grants to local units of government for those purposes, and associated administrative costs of the department. Not more than ten percent of the fund may be used for administrative costs.*

Sec. 4. [FUND TRANSFER.]

*The amount of fees collected under section 1 during the biennium ending June 30, 1983, which is attributable to the fee schedule in effect before the enactment of this act shall be transferred from the snowmobile trail fund to the general fund.”*

Amend the title as follows:

Page 1, line 5, after “3” insert “, and by adding a subdivision”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Johnson from the Committee on Taxes and Tax Laws, to which was referred

H.F. No. 1555: A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; governing the recognition of school district property tax revenues and the computation of levies; granting certain powers and duties to school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; repealing certain administrative rules; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 121.11, Subdivision 12; 121.908,

Subdivision 3; 121.912, Subdivisions 2 and 3; 122.90, Subdivision 1; 123.37, Subdivision 1b; 123.741, Subdivision 1; 123.78, Subdivision 1; 124.19, Subdivision 1, and by adding a subdivision; 124.213, Subdivision 2; 124.32, Subdivisions 7 and 10; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivision 1a, as added; 275.125, Subdivisions 2a, 2d, 2e, 5, as amended, 6b, 6c, 7a, 7c, 9, 19, 20, and by adding subdivisions; 275.48; 298.28, Subdivision 1; 475.61, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivisions 5a and 6; 121.904, Subdivisions 4 and 7; 122.531, Subdivision 6; 122.542, Subdivisions 3 and 4; 123.35, by adding a subdivision; 123.702, Subdivisions 1 and 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.2121, Subdivisions 2, 4, and 5, as amended; 124.2122, Subdivisions 1, and 2, as amended; 124.2123, Subdivisions 1, 3, and by adding a subdivision; 124.2124, Subdivisions 1, as amended, and 3; 124.2125, Subdivision 1, as amended; 124.2126, Subdivision 3; 124.2128, Subdivisions 1 and 5; 124.2129, Subdivision 3, and by adding a subdivision; 124.213, Subdivision 2; 124.223; 124.225, as amended; 124.245, Subdivisions 1 and 1a; 124.251; 124.271, Subdivision 2a; 124.32, Subdivisions 1, 1a, and 5; 124.38, Subdivision 7; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 125.611, Subdivision 5; 136A.81, Subdivision 1; 275.125, Subdivisions 8 and 11b; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Article VII, Section 29, as amended; Third Special Session Chapter 2, Article II, Sections 1, 2, 15, and 20; Article IV, Sections 3, Subdivisions 2 and 3; 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivisions 4a and 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14; 128.05; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everthing after the enacting clause and insert:

## “ARTICLE I

### FOUNDATION AID

Section 1. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 5, is amended to read:

Subdivision 1. [FORMULA ALLOWANCE.] “Foundation aid formula allowance” or “formula allowance” means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be \$1,333 for foundation aid for the 1981-1982 school year. The formula allowance shall be \$1,346 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year. *The formula allowance shall be \$1,416 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 6, is amended to read:

Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in the 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 .024 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year. *The basic maintenance mill rate shall be .024 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year. A district may levy less than 24 mills. Foundation aids shall be computed as if the district had levied 24 mills.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 124.2124, is amended by adding a subdivision to read:

*Subd. 4. [RECOMPUTED REPLACEMENT ALLOWANCE.] 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.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.2125, Subdivision 2, is amended to read:

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~~ *not exceed* .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).

Sec. 5. Minnesota Statutes 1981 Supplement, Section 124.2126, Subdivision 3, is amended to read:

Subd. 3. [MINIMUM AID.] A qualifying district's minimum aid for each school year shall equal its minimum guarantee for that school year, minus the sum of:

- (1) The amount of the district's state school agricultural tax credit aid for that

school year;

(2) The amount by which property taxes of the district for use in that school year are reduced by the homestead credit provisions in section 273.13, subdivisions 6, 7, and 14a;

(3) The amount by which property taxes of the district for use in that school year are reduced by the taconite homestead credit provisions in section 273.135; 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;

(5) *The amount by which property taxes of the district for use in that school year are reduced by the state paid wetlands credit provisions in section 273.115;*

(6) *The amount by which property taxes of the district for use in that school year are reduced by the state paid native prairie credit provisions in section 273.116; and*

(7) *The amount by which property taxes of the district for use in that school year are reduced by the credit for reduced assessment provisions in section 273.139.*

Sec. 6. Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 2d, is amended to read:

Subd. 2d. [REFERENDUM LEVY.] (1) The levy authorized by 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 valuation shall be authorized for certification for the number of years approved, if applicable, or until revoked *or reduced* by the voters of the district at a subsequent referendum.

(2) A referendum on the question of revoking *or reducing* the increased levy amount authorized pursuant to clause (1) of this 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. A levy approved by the voters of the district pursuant to clause (1) of this subdivision must be made at least once before it is subject to a referendum on its revocation *or reduction* for subsequent years. Only one such revocation *or reduction* election may be held to revoke *or reduce* a levy for any specific year and for years thereafter.

(3) A petition authorized by ~~clauses clause (1) or (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.

(4) A petition authorized by clause (2) shall be effective if signed by a number of qualified voters in excess of five percent of the residents of the school district as determined by the most recent census. A revocation or reduction referendum invoked by petition shall be held within three months of submission of the petition to the school board.

(4) (5) 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.

(5) (6) 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. 7. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

*Subd. 6d. [SPECIAL GRANDFATHER LEVY.] (1) For purposes of this subdivision, the term "grandfather allowance" shall have the meaning given it in section 124.2123.*

*(2) In 1982, any district which has a grandfather allowance that is less than \$50 per actual pupil unit may make an additional levy for school maintenance purposes as provided in clause (3).*

*(3) The additional levy in 1982 shall not exceed an amount equal to the difference between \$50 per actual pupil unit and the grandfather allowance of the district times the number of actual pupil units in the district in the 1981-82 school year.*

*(4) In 1983 and each year thereafter, a district which qualified under clause (2) to make an additional levy may levy an amount equal to the greater of*

*(a) the amount levied pursuant to this subdivision in 1982, or*

*(b) the amount in clause (3) times the number of actual pupil units in the district in the school year preceding the year in which the levy is certified.*

Sec. 8. Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 7a, is amended to read:

*Subd. 7a. [DISCRETIONARY LEVY.] (1) For purposes of this subdivision, the terms "discretionary allowance" and "discretionary mill rate" shall have the meanings given them in section 124.2125.*

*(2) In 1981 and each year thereafter, a district which levies the maximum permissible amount pursuant to subdivision 2a and subdivision 6b may levy an additional amount which shall not exceed the lesser of (a) an amount equal to the discretionary mill rate times the district's adjusted assessed valuation for the preceding year or (b) the product obtained by multiplying the applicable discretionary allowance times the actual and AFDC pupil units 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 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 or increase. At least three weeks published notice of the hearing in 10 point type or 5.0 agate type, 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.

(c) At the hearing, the district shall present its proposed revenue and expenditure budgets for the next two school years, 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 subdivision 7c. At the hearing, 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 30 days after the hearing, the board shall call a referendum on the proposed levy or increase. 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 *excess of three percent of the residents of the school district as determined by the most recent census.*

(d) The referendum shall be held on a date set by the school board, but no later than the September 20 before the levy is certified.

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.

..... Yes                    Shall the (increase in the) discretionary levy  
 ..... No                    proposed by the Board of ..... School  
                                  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 largest number of EARC mills *the district was previously levied by the district authorized to levy* pursuant to this subdivision, applied to the preceding year's adjusted assessed valuation.

Sec. 9. [BASIC MAINTENANCE UNDERLEVIES.]

*In fiscal years 1983 and 1984, the deduction from basic foundation aid pursuant to Minnesota Statutes 1981 Supplement, Section 124.2128, Subdivision 1, shall be computed as though the basic maintenance mill rate for tax levies attributable to that school year were .023, and without regard to whether a district levied an additional amount for basic maintenance as authorized by Laws 1981, Third Special Session Chapter 2, Article II, Section 12.*

Sec. 10. [EFFECTIVE DATE.]

*Section 3 shall be effective for the 1983-1984 school year. Sections 6 and 8 are effective the day following final enactment.*

ARTICLE II

TRANSPORTATION

Section 1. Minnesota Statutes 1981 Supplement, 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.] (a) ~~Through the 1981-1982 school year, 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 nonpublic school actually attended, but only to the extent permitted by sections 123.76 to 123.79 with respect to nonpublic school pupils;~~

(b) ~~Beginning in the 1982-1983 school year, Transportation or board of resident elementary pupils who reside one mile or more from the public schools which they could attend; 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 the resident pupils attend pursuant to a program approved by the commissioner of education; transportation of resident elementary pupils who reside one mile or more from a 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;

(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 district 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 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~~ *elementary pupils* reside at least one mile from school *and secondary pupils reside at least two miles 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-saving 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. 2. Minnesota Statutes 1980, Section 124.225, as amended by Laws 1981, Chapters 356, Section 167; 358, Article II, Sections 3 to 14; First Special Session Chapter 2, Section 8; and Third Special Session Chapter 2, Article II, Section 9, is amended to read:

124.225 [TRANSPORTATION AID ENTITLEMENT.]

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) "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) ~~(b) "Total Authorized cost for regular transportation" or "total authorized expenditure" means the sum of:~~

(i) (1) all expenditures for transportation in the regular category, as defined in clause (e)(1), for which aid is authorized in section 124.223, plus

(ii) (2) 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) (3) 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) (c) "Total Adjusted authorized predicted cost" means the total authorized cost predicted by a multiple regression formula determined by the department of education.

(d) "Aid entitlement" means the total amount of basic transportation aid earned by a district before the subtraction of the levy amount provided in subdivision 8a.

(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) (1) 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) (2) ~~Secondary vocational center~~ During-day transportation is transportation services *between schools* provided under section 124.223, clause ~~(3)~~ (1), and transportation services provided under section 124.223, clauses (3) and (9), and transportation services provided under section 124.223, clause (6), excluding transportation provided for pupils attending shared time special education classes;

(iii) (3) Handicapped transportation is *transportation services for pupils attending shared time special education classes* provided under section 124.223, clause (6), and transportation services provided under section 124.223, clause (4), excluding board and lodging and excluding transportation to and from board and lodging facilities;

(iv) (4) 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) (5) 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) (6) Nonpublic health, guidance and counseling transportation is transportation services provided under section 124.223, clause (10);

(f) "Pupil weighting factor" means the ratio of the actual ~~regional~~ district average cost per FTE in a particular transportation category to the actual ~~regional~~ district average cost per FTE in the regular transportation category in the base year.

(g) "Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.

(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.

(i) "Percent excess handicapped FTE's transported" means the result of the following computation for the current year:

*one, minus the product of*

(1) *the ratio of the number of FTE pupils transported in the handicapped*

category in the state to the number of FTE pupils transported in the handicapped category in the district; times

(2) the ratio of the number of FTE pupils transported in the regular category in the district to the number of FTE pupils transported in the regular category in the state.

(j) "Current year" means the school year for which aid will be paid.

(k) "Base year" means the second school year preceding the school year for which aid will be paid.

(l) "Base cost" means the authorized regular transportation cost per FTE in the base year in the regular transportation category, excluding summer school transportation.

(m) "Predicted base cost" means the base cost as predicted by subdivision 3.

Subd. 1a. [WEIGHTING FACTORS.] For each school year, in computing transportation aid, the department of education shall establish as needed the pupil weighting factors for each transportation category for each ~~region~~ district 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~~ district had no experience during the second prior school year.

Subd. 3. [FORMULA.] For 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~~ The department of education shall conduct 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 second preceding school year and the total authorized predicted cost per weighted FTE for the second preceding school year predict the base cost for each district. The A formula determined for each region shall be derived based upon the regression analysis, but excluding the factors described in subdivision 4a, clauses (8), (9), and (10), except that in the 1982-1983 school year, these clauses shall not be excluded. This formula shall be used to determine a total authorized predicted base cost per weighted FTE for the 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 7a and 7a 7b.

Subd. 4a. [FORMULA TERMS.] To predict the total authorized base cost per weighted FTE for each district pursuant to subdivision 3, each regional the 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;
- (2) The reciprocal of 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) (3) The *logarithm* of 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) (4) The percentage of the district's square mile area which is classified by the commissioner of energy, planning and development as water covered or, marshland, or *extractive*;

(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 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;

(17) The percentage of the district's square mile area which is classified by the state planning agency as *extractive*.

(5) *The district's administrative overhead for transportation per authorized FTE transported in the regular transportation category;*

(6) *The number of schools to which pupils are transported in the regular*

transportation category, either within or outside the district, divided by the number of authorized FTE's transported in the regular transportation category;

(7) Whether the district is non-rural, based upon criteria established by the department of education;

(8) Whether the district contracts for bus service, or transports pupils only on district-owned buses;

(9) The percentage of all regular transportation category bus routes using buses that are not owned by the district, if that percentage is not 100 percent;

(10) Whether the district operates a special bus to transport pupils to home from school who are involved in after-school activities.

**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 26 percent. The total authorized predicted cost per weighted FTE determined for a district under subdivision 3 for 1980-1981 shall be increased by 22 percent.

**Subd. 7a. [BASE YEAR SOFTENING FORMULA.]** (1) Each district's adjusted total authorized predicted base cost per weighted FTE determined for each school year according to subdivision 6 3 shall be compared to averaged with the total actual expenditure per weighted FTE for authorized transportation base cost for that district for that year to determine the district's aid entitlement adjusted authorized predicted cost 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. Notwithstanding clause (1), for fiscal year 1983, the predicted base cost shall be adjusted as provided in this clause to determine adjusted authorized predicted cost per weighted FTE for the base school year.

(a) If the predicted base cost exceeds the base cost, the predicted base cost shall be decreased by 50 percent of the first \$40 of difference between the base cost and the predicted base cost; 70 percent of the next \$40 of difference; and 90 percent of any difference which exceeds \$80, to determine the adjusted authorized predicted cost per weighted FTE.

(b) If the predicted base cost is less than the base cost, the predicted base cost shall be increased by 50 percent of the first \$40 of difference between the base cost and the predicted base cost; 70 percent of the next \$40 of difference;



and 90 percent of any difference which exceeds \$80, to determine the adjusted authorized predicted cost per weighted FTE.

*Subd. 7b. [INFLATION FACTORS.] The adjusted authorized predicted cost per weighted FTE determined for a district under subdivision 7a for the base year shall be increased by 22 percent to determine the district's aid entitlement per FTE for the 1982-1983 school year.*

*Subd. 8a. [AID.] A district's transportation aid shall be equal to the sum of its basic transportation aid pursuant to subdivision 8b, its excess handicapped transportation aid pursuant to subdivision 8c, its handicapped board and lodging aid pursuant to subdivision 8d, its to and from board and lodging aid pursuant to subdivision 8e, its nonpublic support services transportation aid pursuant to subdivision 8f, and its during-day transportation aid pursuant to subdivision 8g, minus the amount raised by two mills times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year. A district may levy less than two mills. Transportation aid shall be computed as if the district had levied two mills. If the total appropriation for transportation aid in any fiscal year is insufficient to pay all districts the full amount of aid earned, the department of education shall reduce each district's aid in proportion to the number of resident pupils in average daily membership in the district to the state total average daily membership, and shall reduce the aid entitlement of off-formula districts in the same proportion. Aid for the 1982-1983 school year shall be reduced by the following amount: the product of*

*(a) the number of nonhandicapped secondary pupils transported in the base year that live between one and two miles from the public school which they could attend or the nonpublic school actually attended, times*

*(b) 1.5, divided by the average distance to school for all FTE's transported in the district in the regular transportation category in the second preceding year, times*

*(c) the district's aid entitlement per FTE determined according to subdivision 7b, times the ratio of average daily membership used in subdivision 8b.*

*Subd. 8a 8b. [BASIC AID COMPUTATION.] Beginning with the 1982-1983 school year In fiscal years 1983 and 1984, a district's basic transportation aid pursuant to this section for each the school year shall equal the district's aid entitlement per weighted FTE determined according to subdivision 7a 7b times the total number of authorized weighted FTE's transported in the regular and handicapped transportation categories in the district in that the second preceding school year, minus the amount raised by two mills times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year times the ratio of average daily membership in the district in the current school year to the average daily membership in the district in the second preceding school year.*

*In fiscal year 1985 and thereafter, a district's basic transportation aid pursuant to this section for each school year shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b times the total number of authorized FTE's transported in the regular and handicapped categories in the district in the current school year.*

*Subd. 8b 8c. [EXCESS HANDICAPPED AID.] (a) In addition to the*

amount authorized in subdivision 8a; For 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 the ratio of FTE's transported in the handicapped category to the total number of FTE's transported in the regular transportation category exceeds the same ratio for the state as a whole.

(b) This aid shall equal 80 percent of the difference between:

- (1) the district's actual authorized expenditures for transporting handicapped and board and lodging FTE's and
- (2) 140 percent of the district's aid entitlement for transportation of handicapped and board and lodging 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.

*the product of the percent excess handicapped FTE's transported, times the difference between*

- (1) *the district's actual cost for transportation of all pupils in the handicapped category in the current year, and*
- (2) *the product of*
  - (i) *the district's adjusted authorized predicted cost determined according to subdivision 7b, times*
  - (ii) *the number of FTE's transported in the handicapped category in the district in the current year.*

*Provided that in the 1982-1983 school year, the number in (2)(ii) above shall be replaced by the following computation: the product of the number of FTE's transported in the handicapped category in the district in the second preceding year, times its pupil weighting factor for the handicapped category, times the ratio of average daily membership in the district in the current year to average daily membership in the district in the second preceding year.*

*Subd. 8d. [HANDICAPPED BOARD AND LODGING AID.] For board and lodging of handicapped pupils, each district shall receive aid equal to the product of the number of FTE pupils boarded and lodged in the current year in the district in this transportation category, times the average of*

- (a) *the state average board and lodging cost per FTE pupil boarded and lodged in the second preceding year, times the inflation factor for that year prescribed in subdivision 7b; and*
- (b) *the district's actual cost per FTE pupil boarded and lodged in the current*

year.

*Subd. 8e. [TO AND FROM BOARD AND LODGING.] For transportation of handicapped pupils to and from board and lodging facilities, the state shall pay aid for each pupil for each year equal to the lesser of*

*(a) the sum for all pupils transported in this category of 36 times the distance in miles from each pupil's home to the board and lodging facility, times the official mileage rate at which state employees are compensated for travel; or*

*(b) the average of the amount in (a) and the district's actual cost for all transportation in this category in the current year.*

*Subd. 8f. [NONPUBLIC SUPPORT SERVICES AID.] In fiscal year 1983 a district's nonpublic support services transportation aid shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b, times its pupil weighting factor for the nonpublic support services transportation category, times the number of FTE pupils transported in the nonpublic support services category in the district in the second preceding year, times the ratio of average daily membership in the district in the current year to average daily membership in the district in the second preceding year. In fiscal year 1984 and thereafter, a district's nonpublic support services transportation aid shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b, times its pupil weighting factor for the nonpublic support services transportation category, times the number of FTE's transported in that category in the current year.*

*Subd. 8g. [DURING-DAY TRANSPORTATION AID.] For each school year, a district's during-day transportation aid shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b, times its pupil weighting factor for the during-day transportation category, times the number of FTE's transported in the during-day transportation category in the second preceding year, times the ratio of average daily membership in the district in the current year to average daily membership in the district in the second preceding year. In fiscal year 1984 and thereafter, a district's during-day transportation aid shall equal the district's adjusted authorized predicted cost determined according to subdivision 7b, times its pupil weighting factor for the during-day transportation category, times the number of FTE's transported in the during-day transportation category in the current year.*

*Subd. 9. [DISTRICT REPORTS.] Each district shall report data 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 as required by the department to implement the transportation aid formula. 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 each 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. If a district's final transportation aid payment is adjusted after December 31 of the fiscal year in which the*

*final aid payment is made, the adjustment shall be made by increasing or decreasing the district's aid for the next fiscal year. No adjustment in transportation aid for a district shall be made after October 31 of the fiscal year following the fiscal year in which the final aid payment is made.*

Subd. 10. Any school district which owns school buses or mobile units shall transfer annually from the unappropriated fund balance account in its transportation fund to the appropriated fund balance account for bus purchases in its transportation fund at least an amount equal to 12-1/2 percent of the original cost of each bus or mobile unit until the original cost of each bus or mobile unit is fully amortized, plus 33-1/3 percent of the cost to the district as of July 1 of each year for school bus reconditioning done by the department of corrections until the cost of the reconditioning is fully amortized; *provided, if the district's transportation aid is reduced pursuant to subdivision 8a because the appropriation for that year is insufficient, this amount shall be reduced in proportion to the reduction pursuant to subdivision 8a as a percentage of the sum of*

*(1) the district's total transportation aid received pursuant to subdivision 8a, plus*

*(2) an amount equal to two mills times the adjusted assessed valuation of the district.* Any school district may transfer any amount from the unappropriated fund balance account in its transportation fund to any other operating fund or to the appropriated fund balance account for bus purchases in its transportation fund.

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.

Subd. 12. [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. 3. Minnesota Statutes 1981 Supplement, 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, 124.212, 124.20 ~~and~~, 124.2121 to 124.2125 ~~and~~ 124.225 when used in this section shall have the meanings ascribed to them in those sections.

Sec. 4. Minnesota Statutes 1980, Section 275.125, Subdivision 5, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 10, is amended to read:

Subd. 5. For school transportation services, a school district may levy an amount not to exceed the amount raised by a levy of two mills times the

adjusted assessed valuation of the taxable property of the district for the preceding year. A district may also levy under this subdivision for the amount necessary to eliminate any projected deficit in the appropriated fund balance account for bus purchases in its transportation fund as of June 30 in the school year when the levy is recognized as revenue. *A district which contracts for pupil transportation services may also levy an amount equal to \$18 times the number of FTE pupils transported on contracted school buses in the preceding school year in the regular transportation category, which shall be placed in the transportation fund and used for any lawful purpose. A district may levy an amount equal to the estimated cost, in the school year beginning in the year in which the levy is certified, of transporting secondary pupils to and from school who live more than one mile but less than two miles from the public school which they could attend or from a nonpublic school actually attended. A district may also levy for transportation costs or other related services which are approved by the commissioner as necessary because of extraordinary traffic hazards for the current fiscal next school year. Levies authorized by this subdivision shall be computed according to procedures established by the commissioner.*

Sec. 5. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

*Subd. 5b. [TRANSPORTATION LEVY OFF-FORMULA ADJUSTMENT.] In any fiscal year in which the transportation levy in a district attributable to that fiscal year of two mills times the adjusted assessed valuation of the district exceeds the transportation aid entitlement per weighted FTE times the total number of authorized FTE pupils transported, the district's transportation levy limitation shall be adjusted as provided in this subdivision. In the year following that fiscal year, the district's transportation levy shall be reduced by an amount equal to the difference between (1) two mills times the adjusted assessed valuation of the district, and (2) the sum of the district's transportation aid computation pursuant to section 124.225, subdivisions 8b, 8c, 8d, 8e, 8f, and 8g, minus the following amount:*

*the product of*

*(a) the number of nonhandicapped secondary pupils in the current school year who live between one and two miles from the public school which they could attend or the nonpublic school actually attended and who would have been transported in the current year under the district's eligibility rules in the base year, times*

*(b) 1.5, divided by the average distance to school for all FTE's transported in the district in the regular transportation category in the second preceding year, times*

*(c) the district's adjusted authorized predicted cost determined according to section 124.225, subdivision 7b,*

Sec. 6. [ADDITIONAL TRANSPORTATION LEVY, 1982.]

*In 1982 only, a district may levy for transportation costs or other related services which are necessary because of extraordinary traffic hazards for the 1982-1983 school year. Levies authorized by this section shall be computed according to procedures established by the commissioner.*

Sec. 7. Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3, is

amended to read:

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~~ *the 1981-1982 school year* for any purposes indicated is insufficient, the aid *entitlement* for that year shall be prorated among all qualifying districts, *and aid reduced accordingly*. The state shall not be obligated for any amounts in excess of the total appropriations in this section.

Sec. 8. [REPEALER.]

*Minnesota Statutes 1980, Section 121.96 is repealed.*

Sec. 9. [EFFECTIVE DATE.]

*Section 7 and the amendment made in section 2 to Minnesota Statutes 1981 Supplement, Section 124.225, Subdivision 9, are effective the day following enactment.*

### ARTICLE III

#### SPECIAL EDUCATION

Sec. 1. Minnesota Statutes 1981 Supplement, 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 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.

(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 transportation, *except transportation to and from the resident district*, and an appropriate educational program for 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.

(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. Transportation costs shall be paid by the district responsible for providing the transportation and the state shall pay transportation aid to that district.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.2129, is amended by adding a subdivision to read:

*Subd. 5. [RESIDENCE OF STUDENTS TEMPORARILY PLACED IN ANOTHER DISTRICT.] The responsibility for special instruction and services for a child as defined in section 120.03, subdivision 5, who is temporarily placed in another district for care and treatment, shall be determined in the following manner:*

*(a) The school district of residence of the child shall be the district in which the child's parent or guardian resides, or the district designated by the commissioner of education if neither parent nor guardian is living within the state.*

*(b) Prior to the placement of a child in another district, the district of residence shall be notified and provided an opportunity to participate in the placement decision. When an immediate emergency placement is necessary and time does not permit resident district participation in the placement decision, the district in which the child is temporarily placed shall notify the district of residence of the emergency placement within 15 days of the placement.*

*(c) Responsibility for provision of transportation and an appropriate educational program shall be the same as for a handicapped child temporarily placed in another district for care and treatment pursuant to section 120.17, subdivision 6. The district of residence shall pay tuition and other program costs, not including transportation costs, to the district providing the instruction and services. Transportation costs shall be paid by the district responsible for providing the transportation and the state shall pay transportation aid to that district. For purposes of transportation aid, these children shall be included in the handicapped transportation category.*

Sec. 3. Minnesota Statutes 1980, Section 124.32, Subdivision 7, is amended to read:

*Subd. 7. [PROGRAM AND AID APPROVAL.] Before ~~May 1~~ June 1 of each year, each district providing special instruction and services to handicapped children shall submit to the commissioner an application for approval of these programs and their budgets for the next school year. The application shall include an enumeration of the costs proposed as eligible for state aid pursuant to this section and of the estimated number and grade level of handicapped children in the district who will receive special instruction and services during the next school year. The application shall also include any other information deemed necessary by the commissioner for the calculation of state aid and for the evaluation of the necessity of the program, the necessity of the personnel to be employed in the program, the amount which the program will receive from grants from federal funds, or special grants from other state sources, and the program's compliance with the rules and standards of the state board. The commissioner shall review each application ~~in order~~ to determine whether the program and the personnel to be employed in the program are*

actually necessary and essential to meet the district's obligation to provide special instruction and services to handicapped children pursuant to section 120.17. The commissioner shall not approve aid pursuant to this section for any program or for the salary of any personnel he determines to be unnecessary or unessential on the basis of this review. The commissioner may also withhold all or any portion of the aid for programs which receive grants from federal funds, or special grants from other state sources. ~~On or before July 1 of each year~~ *By August 31, when the first aid payment is made,* the commissioner shall approve, disapprove or modify each application, and notify each applying district of ~~his~~ the action and of the estimated amount of aid for the programs. The commissioner shall provide procedures for districts to submit additional applications for program and budget approval during the school year, for programs needed to meet any substantial changes in the needs of handicapped children in the district. Notwithstanding the provisions of section 124.15, the commissioner may modify or withdraw ~~his~~ the program or aid approval and withhold aid pursuant to this section without proceeding according to section 124.15 at any time ~~when he~~ *the commissioner* determines that the program does not comply with ~~the rules and standards~~ of the state board or that any facts concerning the program or its budget differ from the facts ~~presented~~ in the district's approved application.

#### Sec. 4. [SPECIAL EDUCATION TEMPORARY GUIDELINES.]

*The state board of education shall develop and test guidelines for districts to use in defining and serving the following groups of students: (a) students with learning disabilities, (b) students who are emotionally disturbed, and (c) students with special learning behavior problems. During the 1982-83 school year the department shall test the guidelines in a representative sample of districts statewide and report to the education committees of the legislature by February 1, 1984. The department shall report on the operation and fiscal impact of the guidelines.*

*The guidelines are only for the purposes of testing and determining proper policy for the department and do not represent a determination by the legislature or the department that the guidelines are permanent or binding. The guidelines shall not represent competent evidence in any legal proceeding arising in a state or federal court of law.*

#### Sec. 5. [STUDENT TO STAFF RATIOS.]

*For the 1982-1983 school year, the student to staff ratios established pursuant to 5 MCAR 1.0122 C. shall be increased by 20 percent.*

*By February 1, 1983, the department of education shall report to the education committees of the legislature its recommendations for alternative rules for student to staff ratios.*

#### Sec. 6. [SUPERVISION.]

*For the 1982-1983 school year, the rules on supervisory personnel of 5 MCAR 1.0122 D., D.1., D.2., D.3., and D.4. are suspended.*

*By February 1, 1983, the department of education shall report to the education committees of the legislature regarding the need to reinstate the rules or its recommendations for alternative rules for supervisory personnel.*

#### Sec. 7. [STUDENT ASSESSMENT CONFERENCE.]



*Beginning with the 1982-1983 school year, the assessment requirement established pursuant to 5 MCAR 1.0124 B.1.b. and 1.0126B shall be reduced to one assessment every three years.*

Sec. 8. [PERIODIC REVIEW.]

*Beginning with the 1982-1983 school year, the periodic review requirement established pursuant to 5 MCAR 1.0126 A.2. shall be reduced to one review each year.*

Sec. 9. [EFFECTIVE DATE.]

*Section 3 is effective the day following final enactment.*

ARTICLE IV

MISCELLANEOUS

Section 1. Minnesota Statutes 1980, Section 123.32, Subdivision 1, is amended to read:

Subdivision 1. Unless a different date is permitted under the provisions of subdivision 22 or section 2 of this article, the annual election in independent districts shall be held on the third Tuesday in May.

Sec. 2. Minnesota Statutes 1980, Section 123.32, is amended by adding a subdivision to read:

*Subd. 28. The board of any school district may by resolution provide for the holding of the annual election on the first Tuesday after the first Monday in November of any year. If the annual election is held in November, the terms of office of all board members shall be lengthened to expire on January 1.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 123.937, is amended to read:

123.937 [LIMIT ON DISTRICT OBLIGATIONS.]

If 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, 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. *Notwithstanding Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 21, the appropriations provided in Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 16, may be used to pay claims for nonpublic aids for either year of the 1983 biennium.*

Sec. 4. Minnesota Statutes 1981 Supplement, 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 March 15 immediately following the school board's approval of the teacher's applica-

tion. 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. *If the number of applications approved by the commissioner by March 15 is less than 500 and is within the limits of the appropriation, additional applications submitted to the school board after February 1 may be considered for approval by the school board and commissioner according to the order of receipt.*

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. 5. Minnesota Statutes 1981 Supplement, Section 354.66, Subdivision 6, is amended to read:

Subd. 6. A board of an employing district entering into an agreement authorized by this section shall take all steps necessary to assure continuance of any insurance programs furnished or authorized a full time teacher on an identical basis and with identical sharing of costs for a part time teacher pursuant to this section, *provided, however, that the requirements of this sentence may be modified by a collective bargaining agreement between a board and an exclusive representative pursuant to chapter 179.* Notwithstanding the provisions of section 43.47, subdivision 16, teachers as defined in section 136.88 employed on a less than 75 percent time basis pursuant to this section shall be eligible for state paid insurance benefits as if the teachers were employed full time.

Sec. 6. [FUND TRANSFER; CAPITAL EXPENDITURE TO GENERAL.]

*Notwithstanding the provisions of section 121.912, during the 1982-1983 school year, a district may transfer an amount not to exceed \$50 per pupil unit from the capital expenditure fund to the general fund.*

Sec. 7. [REPEALER.]

*Minnesota Statutes 1980, Section 128.05; Laws 1976, Chapter 20, Section 8; and Laws 1967, Chapters 251 and 253, are repealed.*

Sec. 8. [EFFECTIVE DATE.]

*Sections 3 and 7 are effective the day following final enactment.*

## ARTICLE V

### VOCATIONAL EDUCATION

Section 1. Minnesota Statutes 1981 Supplement, 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. 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. 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. The state board shall not approve the permanent transfer for any other purpose of any amount which exceeds \$150,000.~~

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.5624, Subdivision 3, is amended to read:

Subd. 3. [EQUIPMENT AID.] "Post-secondary vocational equipment 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, *as necessary for the conduct of post-secondary vocational-technical training*, 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; and

(d) *renting or leasing buildings for school purposes*

~~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. 3. Minnesota Statutes 1981 Supplement, Section 124.5624, Subdivision 4, is amended to read:

Subd. 4. [BUDGETS; EQUIPMENT AID ALLOCATION.] Each AVTI shall submit a budget before ~~January 1, 1982, 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: acquisition of equipment or machinery, betterment of

equipment or machinery ~~and rents and leases, leasing fees, and renting or leasing buildings for school purposes~~, 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, supply aid, or repair and betterment aid. The department of education shall recommend an allocation of equipment aid in each applicable component activity of the AVTI's operations for each of the expenditure categories and a total allocation of 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 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.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.5627, Subdivision 3, is amended to read:

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.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 124.5627, Subdivision 4, is amended to read:

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.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 124.5627, Subdivision 5, is amended to read:

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. 7. [EFFECTIVE DATE.]

*Sections 2, 3, 4, 5 and 6 are effective the day following final enactment.*

## ARTICLE VI

### OTHER AIDS AND LEVIES

Section 1. Minnesota Statutes 1980, Section 120.73, Subdivision 1, is amended to read:

Subdivision 1. A school board ~~is authorized to~~ may require payment of fees in the following areas:

(a) In any program where the resultant product, in excess of minimum requirements and at the pupil's option, becomes the personal property of the pupil;

(b) Admission fees or charges for extra curricular activities, where attendance is optional;

(c) A security deposit for the return of materials, supplies, or equipment;

(d) Personal physical education and athletic equipment and apparel, although any pupil may provide his own if it meets reasonable requirements and standards relating to health and safety established by the school board;

(e) Items of personal use or products which a student may purchase at his own option such as student publications, class rings, annuals, and graduation announcements;

(f) Fees specifically permitted by any other statute, including but not limited to section 171.04, clause (1);

(g) Field trips considered supplementary to a district educational program;

(h) Any authorized voluntary student health and accident benefit plan;

(i) For the use of musical instruments owned or rented by the district, a

reasonable rental fee not to exceed either the rental cost to the district or the annual depreciation plus the actual annual maintenance cost for each instrument;

(j) Transportation of pupils to and from extra curricular activities conducted at locations other than school, where attendance is optional;

(k) Motorcycle classroom education courses conducted outside of regular school hours; provided the charge shall not exceed the actual cost of these courses to the school district;

*(l) Summer programs, except special education and remedial education;*

*(m) Fees of not more than 20 percent of the actual cost of a program or activity in secondary schools for which there is no credit toward graduation.*

Sec. 2. [121.60] [SUMMER PROGRAMS.]

*Subdivision 1. [AUTHORIZATION.] Any school district may offer a summer program which includes educational, social and recreational opportunities for elementary and secondary students residing within the school district.*

*The summer program may include activities and educational components previously offered in traditional summer school programs as well as community education programs, community recreation programs and improved learning programs.*

*Subd. 2. [FEES.] Pursuant to section 120.73, a school district may charge reasonable fees for summer programs. Each school board shall adopt a policy for waiving fees in case of hardship.*

Sec. 3. Minnesota Statutes 1981 Supplement, 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 \$28 per child screened in fiscal year 1982 and \$29 \$26.80 per child screened in fiscal year 1983. Any district may request and receive an advance payment equal to 50 percent of its estimated payment for screening eligible children.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.245, Subdivision 1, is amended to read:

*Subdivision 1. [BASIC COMPUTATION.] (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 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.*

*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 \$89 per pupil unit in*

*that school year or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$94 per pupil unit in that school year, exceeds the amount raised by seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. In order to qualify for aid pursuant to this subdivision in any school year, a district must have levied the full seven EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.*

(b) In the 1982-1983 school year and each year thereafter, the aid under clause (a) for any 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~~ \$89 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~~ \$94 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. 5. Minnesota Statutes 1981 Supplement, Section 124.245, Subdivision 1a, is amended 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~~ \$24.50 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 275.125, subdivision 11b 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 275.125, subdivision 11b may be used.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 124.246, Subdivision 2, is amended to read:

Subd. 2. [AID.] *For the 1981-1982 school year*, 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.

*For the 1982-1983 school year and each year thereafter*, an eligible district shall receive 92.5 cents 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 \$925.

Sec. 7. Minnesota Statutes 1981 Supplement, 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 \$16.25, in the 1981-1982 school year, and ~~\$17.50~~ \$16.18 in the 1982-1983 school year, times the number of gifted and talented students in the district. No more than 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. 8. Minnesota Statutes 1981 Supplement, Section 124.26, Subdivision 1, is amended to read:

Subdivision 1. [COMPENSATION.] 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. *For the 1981-1982 school year, the portion of such the compensation from state appropriation shall be 90 percent of the compensation paid each teacher for his services in such the programs up to \$8,000 per year based on the costs in that current year. For the 1982-1983 school year and each year thereafter, the portion of such compensation from state appropriation shall be 83.25 percent of the compensation paid each teacher for services in the programs up to \$7,400 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. 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. 9. Minnesota Statutes 1981 Supplement, Section 124.271, Subdivision 2, is amended to read:

Subd. 2. In fiscal ~~years year~~ 1982 ~~and 1983~~ the state shall pay the greater of 65 cents per capita or \$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. *In fiscal year 1983, the state shall pay the greater of 60 cents per capita or \$5,642 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. 10. Minnesota Statutes 1981 Supplement, Section 124.273, Subdivi-



sion 1, is amended to read:

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~~ 60 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~~ 60 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.

Sec. 11. Minnesota Statutes 1981 Supplement, Section 124.273, Subdivision 2, is amended to read:

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~~ 60 percent of the salaries paid to essential instructional personnel employed by the district in its educational program for pupils of limited English proficiency.

Sec. 12. Minnesota Statutes 1981 Supplement, Section 124.32, Subdivision 1, is amended to read:

Subdivision 1. (a) For the 1981-1982 ~~and 1982-1983~~ school years year, the state shall pay to any district for the employment in its educational program for handicapped children 68.8 percent of the salary of essential personnel for the normal school year for each full time, *part time or limited 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. *For the 1982-83 school year, the state shall pay to any district for the employment in its educational program for handicapped children 61 percent of the salary of essential personnel for the normal school year for each full time, part time or limited time person employed, 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. 13. Minnesota Statutes 1981 Supplement, Section 124.32, Subdivision 1b, is amended to read:

Subd. 1b. [CONTRACT SERVICES.] (1) *For the 1981-1982 school year 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. In the 1982-1983 school year and each year thereafter, 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 53.3 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 the 1981-1982 school year 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 summer school revenue allowance of the district attributable to that pupil. For the 1982-1983 school year and each year thereafter, 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 53.3 percent of the difference between the amount of the contract and the summer school revenue allowance of the district attributable to that pupil.*

Sec. 14. Minnesota Statutes 1980, Section 124.32, Subdivision 2, is amended to read:

Subd. 2. *For the 1981-82 school year the state shall pay each district for supplies and equipment purchased or rented for use in the instruction of handicapped children an amount equal to one-half of the sum actually expended by the district but not to exceed an average of \$50 in any one school year for each handicapped child receiving instruction. For the 1982-83 school year and each year thereafter, the state shall pay each district for supplies and equipment purchased or rented for use in the instruction of handicapped children an amount equal to 44.4 percent of the sum actually expended by the district but not to exceed an average of \$44.44 in any one school year for each handicapped child receiving instruction.*

Sec. 15. Minnesota Statutes 1981 Supplement, 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 1981-1982 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, 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. *For the 1982-1983 regular school year and each year thereafter, the aid shall be an amount not to exceed 35.7 percent of the difference between the instructional costs charged to the resident district and the foundation aid formula allowance, 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 35.7 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. 16. Minnesota Statutes 1980, Section 124.32, Subdivision 10, is amended to read:

Subd. 10. [SUMMER SCHOOL.] The state shall pay aid for summer school programs for handicapped children on the basis of the sections of Minnesota Statutes providing aid for handicapped children for the preceding school year. *For 1982 summer school, the summer school aid shall be computed using the 1982-83 formula amounts.* ~~On or before~~ By March 15 of each year, districts shall submit separate applications for program and budget approval for summer school programs. The review of these applications shall be as provided in subdivision 7. By May 1 of each year, the commissioner shall approve, disapprove or modify the applications and notify the districts of ~~his~~ *the* action and of the estimated amount of aid for the summer school programs. Aid for these programs shall be paid ~~on or before the October 1~~ *by November 15* after the summer when the programs are conducted.

Sec. 17. Minnesota Statutes 1981 Supplement, Section 124.38, Subdivision 7, is amended to read:

Subd. 7. "Maximum effort debt service levy" means the lesser of:

(1) A levy in 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;

(d) In any school district ~~granted for which a capital loan between July 1, 1977 and June 2, 1981 was approved prior to August 1, 1981~~, 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. 18. Minnesota Statutes 1981 Supplement, Section 124.5621, Subdivision 12, is amended to read:

Subd. 12. [INSTRUCTIONAL AID FORMULA.] ~~In each~~ (1) For fiscal year 1982, 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) 119 percent, multiplied by

(d) The student growth or decline factor for that AVTI.

(2) For fiscal year 1983, 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) *109.5 percent, multiplied by*

(d) *The student growth or decline factor for that AVTI.*

Sec. 19. Minnesota Statutes 1980, Section 124.572, Subdivision 2, is amended to read:

Subd. 2. [ADULT VOCATIONAL AID.] The state shall pay to any district or cooperative vocational center ~~75~~ 69 percent of the salaries paid to essential, licensed personnel or personnel exempt from licensure pursuant to section 125.031 in that school year for services rendered in that district's or center's adult vocational education programs. In addition, the state shall pay ~~50~~ 46.25 percent of the costs of necessary travel between instructional sites by adult vocational education teachers. The commissioner may withhold all or any portion of this aid for an adult vocational education program which receives moneys from any other source, and in no event shall a district or center receive a total amount of state aid for salaries and travel pursuant to this section which, when added to moneys from other sources, will provide the program an amount for salaries and travel which exceeds 100 percent of the amount of its expenditures for salaries and travel in the program.

Sec. 20. Minnesota Statutes 1981 Supplement, Section 124.573, Subdivision 2, is amended to read:

Subd. 2. [SALARIES, ~~EQUIPMENT~~ AND TRAVEL.] In the 1981-1982 school year ~~and each year thereafter~~, the state shall pay to any district or cooperative center 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 45 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers, 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. *In the 1982-1983 school year and each year thereafter, the state shall pay to any district or cooperative center 41.6 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 41.6 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers, and 41.6 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. 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. 21. Minnesota Statutes 1981 Supplement, 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 1981-1982 school year, the state shall pay each district or cooperative center 40 percent of the amount of a contract entered into pursuant to this subdivision. In the 1982-1983 school year and each year thereafter, the state shall pay each district or cooperative center 37 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. 22. Minnesota Statutes 1981 Supplement, Section 124.574, Subdivision 2, is amended to read:

Subd. 2. [SALARIES.] (a) For the 1981-1982 ~~and 1982-1983 school years~~ *year, the state shall pay to any district or cooperative center 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. For the 1982-1983 school year, the state shall pay to any district or cooperative center 60 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 program 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. 23. Minnesota Statutes 1980, Section 124.574, Subdivision 3, is amended to read:

Subd. 3. In addition to the provisions of subdivision 2, the state shall pay:

(a) *In the 1981-1982 school year, 50 percent of the costs of necessary equipment for these secondary vocational education programs for handicapped children; in the 1982-1983 school year and each year thereafter, 46.25 percent of the costs of necessary equipment for these secondary vocational education programs for handicapped children;*

(b) *In the 1981-1982 school year, 50 percent of the costs of necessary travel*

between instructional sites by secondary vocational education teachers of handicapped children, but not including travel to and from local, regional, district, state or national vocational student organization meetings; in the 1982-1983 school year and each year thereafter, 46.25 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers of handicapped children, but not including travel to and from local, regional, district, state or national vocational student organization meetings; and

(c) For the 1981-1982 school year, 50 percent of the costs of necessary supplies for these secondary vocational education programs for handicapped children, but not to exceed an average of \$50 in any one school year for each handicapped child receiving these services; in the 1982-1983 school year and each year thereafter, 46.25 percent of the costs of necessary supplies for these secondary vocational education programs for handicapped children, but not to exceed an average of \$46.25 in any one school year for each handicapped child receiving these services.

Sec. 24. Minnesota Statutes 1980, Section 134.34, is amended by adding a subdivision to read:

*Subd. 5. [MAINTENANCE OF EFFORT; EXCEPTION.] Notwithstanding subdivision 4, a regional library system support grant may be made in fiscal year 1983 to a regional public library system for a participating city or county which decreases the dollar amount provided by it for operating purposes of public library service below the amount provided by it for 1981 if the amount provided by the city or county in 1982 is not less than the amount provided by it in 1980. A regional library system support grant may be made in fiscal year 1984 to a regional public library system for a participating city or county which decreases the dollar amount provided by it for operating purposes of public library service below the amount provided by it for 1982, if the amount provided by the city or county in 1983 is not less than the amount provided by it in 1981. This subdivision shall not affect the eligibility of cities or counties to declare all or part of their library levies as special levies under the provisions of section 275.50, subdivision 5, clause (c).*

Sec. 25. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

*Subd. 2g. [SUMMER SCHOOL LEVY.] Beginning with the 1982 levy for programs in the summer of 1982 and each year thereafter, a district may levy, for summer school offered pursuant to section 2, an amount not to exceed \$20 per actual pupil unit for the regular school year prior to the summer program.*

Sec. 26. Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 11b, is amended 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 each year 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;

(d) for capital expenditures required to pay for special assessments against school district property.

Sec. 27. Minnesota Statutes 1980, Section 275.48, is amended to read:

275.48 [ADDITIONAL TAX LEVIES IN CERTAIN MUNICIPALITIES.]

~~Whenever~~ When by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the assessed valuation of ~~any a~~ city, township or school district for ~~any a~~ taxable year is reduced after the taxes for ~~such the~~ year have been spread by the county auditor, and ~~whenever when~~ the mill rate as determined by the county auditor based ~~upon~~ on the original assessed valuation is applied ~~upon~~ ~~such on the reduced valuations~~ valuation and does not produce the full amount of taxes as actually levied and certified for ~~such that~~ taxable year ~~upon~~ on the original assessed ~~valuations~~ valuation, ~~such the~~ city, township or school district may include *an additional amount* in its tax levy made following final determination and notice of ~~such the~~ reduction in assessed valuation; ~~an~~ The amount shall equal to the difference between the total amount of taxes actually levied and certified for ~~such that~~ taxable year upon the original assessed valuation, not exceeding the maximum amount which could be raised ~~upon~~ ~~such on~~ the assessed valuation as reduced, within existing mill limitations; if any, and the amount of taxes collected for ~~such that~~ taxable year ~~upon~~ ~~such on~~ the reduced ~~valuations~~ valuation. The total tax levy authorized for a school district by this section shall be reduced by the total amount of any abatement adjustments received by the district pursuant to section 124.214, subdivision 2, in the same calendar year in which the levy is certified. ~~Prior to September 15 of each year, the commissioner of education shall certify to each county auditor the amount of any abatement adjustments paid in that year to each school district in that county. As part of the certification required by section 275.125, subdivision 10, the commissioner of education shall certify the amount of the abatement levy limitation adjustment for each school district headquartered in that county.~~

*Except for school districts, the amount of taxes so included shall be levied separately and shall be levied in addition to all limitations imposed by law; and further shall not result in any penalty in the nature of a reduction in state aid of any kind.*

Sec. 28. Laws 1981, Third Special Session Chapter 2, Article II, Section 1, is amended to read:

Section 1. [EDUCATION AID REDUCTIONS; SUMMARY.]

The sums set forth in the columns designated "APPROPRIATION REDUCTIONS" are reduced from the general fund appropriations to the depart-



ment of education. The figures "1982" and "1983" when used in section 2 of this article Laws 1981, Third Special Session Chapter 2, Article II, Section 2, mean that the appropriation reductions listed are from the appropriations for the fiscal years ending June 30, 1982 or June 30, 1983, respectively.

SUMMARY OF REDUCTIONS

	1982	1983
EDUCATION AIDS .....	(-0-)	(\$160,900,000)
	(\$22,500)	(\$160,877,500)

APPROPRIATION REDUCTIONS

1982	1983
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Sec. 29. Laws 1981, Third Special Session Chapter 2, Article II, Section 2, is amended to read:

Sec. 2. [APPROPRIATION REDUCTIONS.]

The general fund appropriations in Laws 1981, Chapter 358, as amended by Laws 1981, First Special Session, Chapter 2, are reduced by the listed amounts. The appropriation reductions in this section are from the portion of the appropriation provided for the current year and not from the portion of the appropriation provided for the prior year.

(a) Foundation Aid .....	(-0-)	(\$68,481,500)
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The appropriation reduction in paragraph (a) represents four and nine-tenths percent of the formula allowance for foundation aid for fiscal year 1983 payable in fiscal year 1983, plus a reduction due to the one mill levy increase authorized by this article.

(b) Summer School .....	(-0-)	(12,066,400)
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(c) Transportation Aid .....	(-0-)	(34,655,400)
		(32,930,400)

The appropriation reduction in paragraph (c) represents: (1) *the product of: (i) the sum of the appropriation provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358, Article II, Section 15, Subdivision 2, as amended by Laws 1981, First Special Session, Chapter 2, Section 9, Subdivision 2; plus (2) the proceeds of the two-mill one-mill levy authorized by this article Minnesota Statutes 1980, Section 275.125, Subdivision 5; times (3) (ii) seven and one-half percent; (2) plus a reduction due to the one-mill levy increase authorized by Laws 1981, Third Special Session Chapter 2, Article II, Section 12.*

(d) Special Education Aid .....	(-0-)	(7,076,000)
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The appropriation reductions in paragraphs (d) to (k) represent seven and one-half percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358, as amended by Laws 1981, First

## Special Session, Chapter 2.

(e) Summer School Special Education Aid . . . . .	(-0-)	(366,500)
(f) Handicapped Pupils Placed in Residential Facilities . . . . .	(-0-)	(47,300)
(g) Limited English Proficiency Pupils Program Aid . . . . .	(-0-)	(251,600)
(h) American Indian Language and Culture Program . . . . .	(-0-)	(33,500)
(i) Hearing Impaired Support Services Aid . . . . .	(-0-)	(3,000)
(j) Adult Education Aid . . . . .	(-0-)	(84,600)
(k) Community Education Aid . . . . .	(-0-)	(240,000)
(l) Post-Secondary Vocational Instructional Aids . . . . .	(-0-)	(3,949,900)

The appropriation reductions in paragraphs (l) to (p) represent eight percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358.

(m) Post-Secondary Vocational Supply Aid . . . . .	(-0-)	(1,186,300)
(n) Post-Secondary Vocational Support Services Aid . . . . .	(-0-)	(1,215,300)
(o) Post-Secondary Vocational Equipment Aid . . . . .	(-0-)	(729,600)
(p) Post-Secondary Vocational Repair and Betterment Aid . . . . .	(-0-)	(95,200)
(q) Adult Vocational Education Aid . . . . .	(-0-)	(481,400)

The appropriation reductions in paragraphs (q) to (ll) represent a reduction of seven and one-half percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358.

(r) Adult Vocational Programs in Energy Management for Building Operators . . . . .	(-0-)	(3,300)
(s) Veteran Farmers Cooperative Training Programs . . . . .	(-0-)	(44,200)
(t) Secondary Vocational Education Aid . . . . .	(-0-)	(1,348,300)
(u) Secondary Vocational Programs for Handicapped Children . . . . .	(-0-)	(159,700)
(v) Health and Developmental Screening Programs . . . . .	(-0-)	(80,600)
(w) Abatement Aid . . . . .	(-0-)	(224,100)
(x) Capital Expenditure Equalization Aid . . . . .	(-0-)	(28,200)

(y) Special Purpose Capital Expenditure Equalization Aid .....	(-0-)	(4,400)
(z) Educational Cooperative Service Units .....	(-0-)	(57,700)
(aa) Gifted and Talented Students .....	(-0-)	(40,800)
(bb) Alternative Grants .....	(-0-)	(11,300)
(cc) Council on Quality Education Venture Fund Grants .....	(-0-)	(38,300)
(dd) Early Childhood and Family Education Programs .....	(-0-)	(95,600)
(ee) Basic Support Grants for Library Services .....	(-0-)	(273,000)
(ff) Multi-County Library Systems .....	(-0-)	(11,600)
(gg) Nonpublic Educational Aids .....	(-0-)	(288,600)
(hh) Indian Education Programs .....	(-0-)	(11,300)
(ii) Chemical Use Programs .....	(-0-)	(62,000)
(jj) Extended Leaves of Absence .....	(-0-)	(118,100)
(kk) Part-time Teaching .....	(-0-)	(5,700)
(ll) Early Retirement Incentives .....	(-0-)	(135,400)
(mm) Improved Learning Program .....	(22,500)	(-0-)
<i>The appropriation reduction in paragraph (mm) represents a reduction of seven and one-half percent of the appropriation provided for fiscal year 1982 in Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 19.</i>		
<del>(mm)</del> (nn) General Reduction .....	(-0-)	(26,894,300)
		(28,596,800)

The commissioner of education shall apportion the reduction in paragraph ~~(mm)~~ (nn) among school districts, public library systems, multi-type library systems, and educational cooperative service units, and regional management information systems in the same manner in which he apportioned the education aid reductions made in fiscal year 1981 pursuant to Minnesota Statutes 1980, Sections 16A.15, Subdivision 1, and 124.77, because funds in the state treasury were insufficient.

Sec. 30. Laws 1981, Third Special Session Chapter 2, Article II, Section 20, is amended to read:

Sec. 20. [EFFECTIVE DATE.]

Sections 1 to 9 and 11 to 19 are effective the day following final enactment. Section 10 is effective for levies certified in 1982 payable 1983 on July 1, 1982.

Sec. 31. [APPROPRIATION.]

*There is appropriated from the general fund to Independent School District No. 309, Pine Point School, the sum of \$25,000 for fiscal year 1983. The money shall be used for repair of the Pine Point Experimental School.*

Sec. 32. [EFFECTIVE DATE.]

*Sections 1, 2, 24, 28, 29, 30 and 31 are effective the day following final enactment.*

ARTICLE VII

PROPERTY TAX SHIFT

Section 1. Minnesota Statutes 1980; Section 121.904, Subdivision 2, is amended to read:

Subd. 2. *Except as provided in this section, revenues shall be recorded in a manner which clearly indicates that they are applicable to a specific accounting period and fund.*

Sec. 2. Minnesota Statutes 1980, Section 121.904, Subdivision 4, is amended to read:

Subd. 4. *Except as provided in subdivision 4a, as added by Laws 1981, Third Special Session Chapter 2, Article IV, Section 1, revenue shall be recognized as follows: All current levies of local taxes, including portions assumed by the state, shall be recognized as receivable at the beginning of the calendar year during which collection normally takes place. Such receivables shall be reserved for use in the subsequent fiscal year. Payments of current taxes including but not limited to March personal property tax settlements, received prior to July 1, shall be recorded as revenue to be earned as of July 1 with appropriate adjustments to the receivables and the reserves for such taxes. All current taxes received prior to July 1 plus the balance of the reserves shall be recognized as revenue on July 1.*

Sec. 3. Minnesota Statutes 1980, Section 121.904, Subdivision 4a, as added by Laws 1981, Third Special Session Chapter 2, Article IV, Section 1, is amended to read:

Subd. 4a. [LEVY RECOGNITION; PAYABLE 1983.] ~~(1) For taxes assessed in 1982, payable in 1983, all current levies of local taxes, including portions assumed by the state, shall be recognized as provided in this subdivision.~~

~~(2) One-third of the March and May property tax settlements shall be recognized as receivable and recorded as revenue in the same fiscal year during which collection normally takes place. These receivables shall be for use in the current fiscal year.~~

~~(3) Two-thirds of the March and May property tax settlements shall be recognized as receivable and shall be reserved for use in the fiscal year immediately following the fiscal year during which collection normally takes place.~~

~~(4) All of the October property tax settlements shall be recognized as receivable and recorded as revenue in the same fiscal year during which collection normally takes place. These receivables shall be for use in the current fiscal year.~~

*(a) "School district tax settlement revenue" means the current, delinquent, and mobile home property tax receipts collected by the county and distributed*

to the school district, including distributions made pursuant to section 279.37, subdivision 7, and excluding the amount levied pursuant to section 275.125, subdivision 9a.

(b) In June of each year, the school district shall recognize as revenue available for expenditure in the current fiscal year, and shall record this revenue in the fund for which the levy was made, the lesser of:

(1) the June and July school district tax settlement revenue received in that calendar year; or

(2) the sum of the state aid payments enumerated in section 5 which are due in the fiscal year ending that June for the school year ending that June; or

(3) one-sixth of the amount of the spread levy in the current calendar year which remains after subtracting, by fund, the amounts levied for the following purposes:

(i) reducing or eliminating projected deficits in the appropriated fund balance accounts for unemployment insurance and bus purchases;

(ii) statutory operating debt pursuant to section 275.125, subdivision 9a, and Laws 1976, Chapter 20, Section 4; and

(iii) retirement and severance pay pursuant to section 275.125, subdivision 6a, and Laws 1975, Chapter 261, Section 4.

(c) In July of each year, the school district shall recognize as revenue available for expenditure in the current fiscal year, and shall record this revenue in the fund for which the levy was made, that portion of the June and July school district tax settlement revenue received in that calendar year and not recognized as revenue for the previous fiscal year pursuant to clause (b).

(d) All other school district tax settlement revenue shall be recognized as revenue in the fiscal year of the settlement. Portions of the school district levy assumed by the state, including prior year adjustments and the amount to fund the school portion of the reimbursement made pursuant to section 273.425, shall be recognized as revenue in the fiscal year beginning in the calendar year for which the levy is payable.

Sec. 4. Laws 1981, Third Special Session Chapter 2, Article IV, Section 3, Subdivision 2, is amended to read:

Subd. 2. [AMOUNT OF REDUCTION.] State aid payments enumerated in section 6 of this article due any school district in fiscal year 1983 for the 1982-1983 school year ~~under the provisions enumerated in subdivision 3~~ shall be reduced in the order listed by the remainder of the amount the district levied for taxes assessed in 1982, payable in 1983, which is to be recognized recognizes as revenue in for fiscal year 1983 pursuant to section 4 3 of this article, clause (b), minus the amount received pursuant to Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 2d. The district levy against which the reduction is applied shall not include any levy portions that are assumed by the state. For purposes of computing this state aid reduction, the amount levied by the district shall not include the amounts levied to make payments for bonds issued and for interest thereon; the amounts levied for repayment of debt service loans and capital loans; the amounts levied to pay the district's obligations under section 268.06, subdivision 25; and amounts levied pursuant to section 275.125, subdivisions 2d, 6a, 9a, 14a, and 20.

Sec. 5. Laws 1981, Third Special Session, Chapter 2, Article IV, Section 3,

is amended by adding a subdivision to read:

*Subd. 2a. [AMOUNT OF ADJUSTMENT.] Beginning with fiscal year 1984 and each year thereafter, state aid payments enumerated in subdivision 3 due any school district in that fiscal year for that school year shall be adjusted in the order listed by the amount equal to the difference between (1) the amount the district recognized as revenue for the prior fiscal year pursuant to section 3 of this article, clause (b); and (2) the amount the district recognizes as revenue for the current fiscal year pursuant to section 3 of this article, clause (b). Any payment authorized from the cash flow loan fund or the permanent school fund shall not be adjusted pursuant to this section.*

Sec. 6. Laws 1981, Third Special Session Chapter 2, Article IV, Section 3, Subdivision 3, is amended to read:

*Subd. 3. [SUBTRACTION FROM AIDS.] The amount specified in subdivision 2 shall be subtracted from the following state aid payments in the order listed in fiscal year 1983. The amount specified in section 5 of this article shall adjust the following state aid payments in the order listed:*

- (a) Foundation aid as authorized in section 124.212, subdivision 1;
- (b) Secondary vocational aid authorized in section 124.573;
- (c) Special education aid authorized in section 124.32;
- (d) Secondary vocational aid for handicapped children authorized in section 124.574;
- (e) Gifted and talented aid authorized in section 124.247;
- (f) Aid for pupils of limited English proficiency authorized in section 124.273;
- (g) Aid for improved learning programs authorized in section 124.251;
- (h) Aid for chemical use programs authorized in section 124.246;
- (i) Transportation aid authorized in section 124.225;
- (j) School lunch aid authorized in section 124.646;
- (k) Community education programs aid authorized in section 124.271;
- (l) Adult education aid authorized in section 124.26;
- (m) Capital expenditure equalization aid authorized in section 124.245;
- (n) Homestead credit payments authorized in section 273.13, subdivisions 6, 7, and 14a;
- (o) Taconite homestead credit payments authorized in section 273.135;
- (p) Wetlands credit authorized in section 273.115;
- (q) Native prairie credit authorized in section 273.116; and
- (r) Attached machinery aid authorized in section 273.138, subdivision 3.

The commissioner of education shall schedule the timing of the reductions from state aid payments specified in subdivision 2 in such a manner that will minimize the impact of this article on the cash flow needs of the school districts.

Sec. 7. Laws 1981, Third Special Session Chapter 2, Article IV, Section 3, Subdivision 4, is amended to read:

Subd. 4. [ACCOUNTING.] Notwithstanding any law to the contrary, the amount the district recognizes as revenue pursuant to section 3 of this article, clause (b), which is of the levy subtracted from state aid payments shall be recognized and reported on the school district books of account in the same way that the state aid payments would have been recognized and reported.

Sec. 8. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

*Subd. 21. [REPORTING.] The school district tax settlement revenue defined in section 3 of this article, clause (a), and the amount levied pursuant to subdivision 9a shall be reported by the county auditor to each school district by fund for each settlement on the form specified in section 276.10. The county auditor shall report the spread levy to the district on the report specified in section 275.124.*

Sec. 9. [REPEALER.]

*Laws 1981, Third Special Session Chapter 2, Article IV, Sections 2 and 7, are repealed."*

Delete the title and insert:

*"A bill for an act relating to education; providing for aids to education, aids to libraries; tax levies and distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education; appropriating money; amending Minnesota Statutes 1980, Sections 120.73, Subdivision 1; 121.904, Subdivisions 2, 4, and 4a, as added; 123.32, Subdivision 1 and by adding a subdivision; 124.225, as amended; 124.32, Subdivisions 2, 7, and 10; 124.572, Subdivision 2; 124.574, Subdivision 3; 134.34, by adding a subdivision; 275.125, Subdivision 5, as amended, and by adding subdivisions; 275.48; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivision 6; 121.912, Subdivision 1; 123.705; 123.937; 124.2122, Subdivisions 1, as amended, and 2, as amended; 124.2124, by adding a subdivision; 124.2125, Subdivision 2; 124.2126, Subdivision 3; 124.2129, by adding a subdivision; 124.223; 124.245, Subdivisions 1 and 1a; 124.246, Subdivision 2; 124.247, Subdivision 3; 124.26, Subdivision 1; 124.271, Subdivision 2; 124.273, Subdivisions 1 and 2; 124.32, Subdivisions 1, 1b, and 5; 124.38, Subdivision 7; 124.5621, Subdivision 12; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 124.573, Subdivisions 2 and 3a; 124.574, Subdivision 2; 125.611, Subdivision 5; 275.125, Subdivisions 1, 2d, 7a, and 11b; 354.66, Subdivision 6; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Third Special Session Chapter 2, Article II, Sections 1, 2, and 20; and Article IV, Section 3, Subdivisions 2, 3, 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 121; repealing Minnesota Statutes 1980, Sections 121.96; 128.05; Laws 1967, Chapters 251 and 253; Laws 1976, Chapter 20, Section 8; Laws 1981, Third Special Session Chapter 2, Article IV, Sections 2 and 7."*

And when so amended the bill do pass. Mr. Renneke questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

## SECOND READING OF SENATE BILLS

S.F. Nos. 588, 303, 2127, 1947 and 1451 were read the second time.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Friday, March 5, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



## EIGHTY-SECOND DAY

St. Paul, Minnesota, Friday, March 5, 1982

The Senate met at 2:00 p.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. Richard Goebel.

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	Kamrath	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. Keefe was excused from the Session of today. Mr. Sieloff was excused from the Session of today at 4:50 p.m. Messrs. Petty and Pillsbury were excused from the Session of today at 5:00 p.m. Mr. Hughes was excused from this evening's Session.

## 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. 860.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 4, 1982

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1707, 1794, 2170, 1941, 1975, 1993, 1795, 1799, 1852, 1863, 1690, 1939, 1625, 1701, 1235, 1906, 1572, 2058, 2073, 1499 and 2011.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 4, 1982

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1707: A bill for an act relating to transportation; allowing certain vehicles to cross certain railroad crossings without stopping; removing the requirement for designated routes for certain buses; modifying the public transit capital grant assistance program; providing for public transit contract procedures; amending Minnesota Statutes 1980, Sections 169.28; 169.29; 169.80, Subdivisions 2 and 2a; 174.245; Laws 1981, Chapter 363, Section 55, Subdivision 1, as amended; repealing Minnesota Statutes 1980, Section 219.21.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1662, now on the Calendar.

H.F. No. 1794: A bill for an act relating to health; providing for an advisory task force to make recommendations on the distribution of funds for maternal and child health care needs; proposing new law coded in Minnesota Statutes, Chapter 145.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1775, now on the Calendar.

H.F. No. 2170: A bill for an act relating to state lands; authorizing sale and conveyance of a certain tract in order to correct a survey error.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2090.

H.F. No. 1941: A bill for an act relating to agriculture; setting a standard of proof and procedures for decision and appeal for claims of damage to livestock by endangered species; amending Minnesota Statutes 1980, Section 3.737, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1826.

H.F. No. 1975: A bill for an act relating to local government; permitting towns to issue off-sale liquor licenses; amending Minnesota Statutes 1980, Section 340.11, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1920.

H.F. No. 1993: A bill for an act relating to intoxicating liquor; veteran's

organization licenses in first class cities; amending Minnesota Statutes 1980, Section 340.11, Subdivision 11.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1979, now on General Orders.

H.F. No. 1795: A bill for an act relating to the city of Minneapolis; changing limitations on housing programs in two Minneapolis development districts; amending Laws 1971, Chapter 677.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1718, now on the Calendar.

H.F. No. 1799: A bill for an act relating to health; providing for evaluation of certain changes in certificate of need review; requiring certain price information to be reported and disseminated; requiring monitoring; amending the thresholds of review; providing for additional waivers; requiring reports; amending Minnesota Statutes 1980, Sections 145.833, Subdivision 5; 145.835, Subdivisions 3 and 4; Minnesota Statutes 1981 Supplement, Sections 250.05, Subdivision 4; 447.45, Subdivision 1; and 474.03; proposing new law coded in Minnesota Statutes, Chapter 144; repealing Minnesota Statutes 1980, Sections 145.832 to 145.845, as amended; and Minnesota Statutes 1981 Supplement, Sections 62D.22, Subdivision 6; 145.834; and 145.845.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1794.

H.F. No. 1852: A bill for an act relating to waters; making the water well contractors and exploratory borers advisory council permanent; amending Minnesota Statutes 1980, Section 156A.06, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1900.

H.F. No. 1863: A bill for an act relating to credit unions; providing for approval of amendments to certificates of organization and bylaws; authorizing the board of directors to appoint a credit committee or a credit manager; prescribing the powers of a credit committee and credit manager; allowing certain nonmembers to establish individual retirement accounts; amending Minnesota Statutes 1980, Sections 52.02; 52.08; 52.09, Subdivisions 2 and 3; 52.10; and 52.135.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1761, now on the Calendar.

H.F. No. 1690: A bill for an act relating to public welfare; requiring the commissioner of public welfare to promulgate rules which establish foster care maintenance payments by the state; establishing a state goal for the reduction of the number of children in residential facilities for more than 24 months; requiring the commissioner of public welfare to comply with the requirements of Title IV-E of the federal Social Security Act in order to obtain adoption assistance funds for eligible children; expanding the eligibility for medical assistance to include children receiving foster care maintenance payments under Title IV-E of the federal Social Security Act; authorizing the transfer of funds; amending Minnesota Statutes 1980, Sections 256.82; 257.071, by adding a subdivision; and 259.40, Subdivisions 2, 3, and 10; Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, as amended.

Referred to the Committee on Finance.

H.F. No. 1939: A bill for an act relating to transportation; directing the commissioner of transportation to construct a parkway along a certain route in the city of St. Paul; amending Minnesota Statutes 1980, Sections 161.12; 161.1245, Subdivision 1; repealing Minnesota Statutes 1980, Section 161.1245, Subdivision 2.

Referred to the Committee on Rules and Administration.

H.F. No. 1625: A bill for an act relating to retirement; public employees retirement association; changing the reduction factors for early retirement; amending Minnesota Statutes 1980, Section 353.30, Subdivisions 1 and 1a; Minnesota Statutes 1981 Supplement, Section 353.30, Subdivision 1c; repealing Minnesota Statutes 1980, Section 353.30, Subdivision 1b.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1548, now on General Orders.

H.F. No. 1701: A bill for an act relating to the city of Hibbing; authorizing increases in certain firefighters service pensions and survivor benefits; amending Laws 1977, Chapter 169, Section 1 and Laws 1971, Chapter 614, Section 1, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1629, now on General Orders.

H.F. No. 1235: A bill for an act relating to state lands; authorizing the conveyance by the state of its interest in certain lands in Lyon County and Wright County.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1130, now on the Calendar.

H.F. No. 1906: A bill for an act relating to local government; allowing the city of Orr and the town of Leiding to assess the cost of maintenance of television relay service.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1801, now on the Calendar.

H.F. No. 1572: A bill for an act relating to health; establishing the right to complete information on all alternative treatments for patients with breast cancer; amending Minnesota Statutes 1980, Section 144.651.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1504.

H.F. No. 2058: A bill for an act relating to public welfare; providing for classification, access, and destruction of certain child abuse report records; clarifying the classification of reports regarding vulnerable adults; amending Minnesota Statutes 1980, Sections 626.556, Subdivisions 3, 7, and by adding a subdivision; 626.557, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 626.556, Subdivision 11.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2038.

H.F. No. 2073: A bill for an act relating to resource recovery; permitting the

use of waste oil burners in certain gasoline stations and garages; proposing new law coded in Minnesota Statutes, Chapter 299F.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2055, now on the Calendar.

H.F. No. 1499: A bill for an act relating to the commitment of persons who are mentally ill, mentally ill and dangerous, mentally retarded, or chemically dependent; providing for informal admissions by consent, involuntary emergency admissions and for involuntary commitment by civil judicial procedures; providing for rights of persons admitted under voluntary, emergency or involuntary judicial procedures; requiring pre-petition screening; providing for commitment hearings and procedures in conformance with due process; requiring a hearing and review 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.23.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1459, now on the Calendar.

H.F. No. 2011: A bill for an act relating to commerce; motor vehicle sale and distribution; providing for the termination or cancellation of franchise agreements and certain payments to be made by manufacturers in the event thereof; specifying certain circumstances establishing good cause for entering into or relocating an additional franchise for the same line make; amending Minnesota Statutes 1981 Supplement, Sections 80E.03, Subdivision 8; 80E.07, Subdivision 1; 80E.09, Subdivisions 1, 2 and 3; 80E.11, Subdivisions 2 and 6; and 80E.14, Subdivision 2; and proposing new law coded in Minnesota Statutes, Chapter 80E.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1963, 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 the report on S.F. No. 1556 and reports pertaining to appointments. The motion prevailed.

Mr. Wegener from the Committee on Local Government and Urban Affairs, to which was referred

H.F. No. 2116: A bill for an act relating to Blue Earth County; permitting county board members to serve on the county housing and redevelopment authority.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 1573: A bill for an act relating to crimes; prohibiting the manufacture, sale, transfer and delivery of simulated controlled substances; pro-

hibiting their manufacture, sale, transfer and delivery; providing penalties; amending Minnesota Statutes 1980, Sections 152.09, Subdivision 1; 152.15, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 152.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 13, delete the second "or"
- Page 1, line 14, delete everything before "a"
- Page 1, line 19, delete "such" and insert "a"
- Page 1, line 24, delete everything after the period
- Page 1, delete lines 25 to 27
- Page 2, delete lines 1 to 10
- Page 2, line 14, before "prescribing" insert "This section does not apply to the"
- Page 2, line 15, delete "is"
- Page 2, line 16, delete everything before the period
- Page 2, line 19, after "1." insert "[UNLAWFUL ACTS.]"
- Page 2, line 21, after "to" insert a colon
- Page 2, line 22, strike "manufacture" and insert "Manufacture"
- Page 2, line 26, strike "possess" and insert "Possess"
- Page 2, line 26, strike "such" and insert "the"
- Page 2, line 28, delete "manufacture" and insert "Manufacture"
- Page 2, line 28, delete "or attempt to"
- Page 2, line 29, delete "sell, transfer or deliver"
- Page 2, line 29, delete "under"
- Page 2, line 30, delete "circumstances set forth"
- Page 2, line 30, after "in" insert "violation of"
- Page 2, line 34, after "selling," insert "or"
- Page 2, line 34, delete "or attempting"
- Page 2, line 35, delete "to transfer, sell, or deliver" and delete "under"
- Page 2, line 36, delete everything before "may"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S.F. No. 1611: A bill for an act relating to law libraries; recodifying the laws governing county law libraries; amending Minnesota Statutes 1980, Sections 140.34; 140.35; 140.36; 140.37; 140.38; 140.39; 140.40; 140.44; 140.45; and 140.46; proposing new law coded in Minnesota Statutes 1980, Chapter

140; repealing Minnesota Statutes 1980, Sections 140.01 to 140.20; 140.212 to 140.33; 140.41 to 140.435; Minnesota Statutes 1981 Supplement, Section 140.21.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, after "by" delete "the" and insert "a"

Page 2, line 5, strike "so"

Page 2, line 5, strike "either"

Page 2, line 9, strike "or such person as"

Page 2, line 9, delete "he or"

Page 2, line 10, delete "she"

Page 2, line 10, strike "may select"

Page 2, line 11, strike the second "the" and insert "its"

Page 2, line 12, strike "thereof"

Page 2, line 14, strike "member of the state bar association" and insert "attorney admitted to the practice of law"

Page 2, line 15, strike everything after "by"

Page 2, line 16, strike "reside in"

Page 2, line 16, before the period, insert "attorney"

Page 2, line 17, after "trustees" insert a comma

Page 2, line 21, after "trustees" insert a comma

Page 2, line 23, delete "BYLAWS" and insert "MEMBERSHIP CHANGES"

Page 2, line 29, delete "such person as he or she"

Page 2, line 30, delete "may select" and insert "his designee"

Page 2, line 31, after the comma, insert "or his designee,"

Page 3, line 10, strike "At its first meeting and"

Page 3, line 11, strike "annual" and strike "thereafter"

Page 3, line 13, after "member" insert "or"

Page 3, line 24, strike "same" and insert "them"

Page 3, line 27, delete "such" and delete "as are"

Page 3, line 34, strike " , the"

Page 3, line 35, strike "purchase price to be paid out of" and insert "with money from"

Page 4, line 5, after "and" delete "the" and insert "its"

Page 4, line 5, delete "thereof, except"

Page 4, line 6, delete everything before "is"

Page 4, lines 12 and 14, delete the new language

Page 4, lines 11 to 16, strike the old language and insert "*The county auditor shall file with the board of trustees an annual report containing a detailed statement of the receipts and disbursements of the library for the preceding year. The board of trustees shall file an inventory with the county auditor showing the property belonging to the library or loaned or leased to the library.*"

Page 4, line 25, delete "shall"

Page 4, line 26, delete "have authority to" and insert "may"

Page 4, line 26, delete "such" and insert "necessary"

Page 4, line 27, delete "as may be necessary"

Page 4, line 27, delete "to"

Page 4, line 29, after "county" insert a comma

Page 4, line 29, delete "shall have"

Page 4, line 30, delete "authority to" and insert "may"

Page 4, line 30, after the first "and" insert "necessary"

Page 4, line 31, delete "as may be necessary"

Page 4, line 32, delete "to"

Page 4, line 32, after the period, insert "*In all counties where services cannot be provided by the Minnesota state law library, the board of trustees may contract with regional library systems for services.*"

Page 4, line 36, delete "it shall be the duty of" and insert a comma

Page 5, lines 1 and 14, delete "or her designate" and insert "designee"

Page 5, lines 1, 14, and 30, delete "to" and insert "shall"

Page 5, line 9, delete "shall appear" and insert "appears"

Page 5, line 12, delete "or her"

Page 5, line 13, delete "It shall be the duty of"

Page 5, line 18, delete "therein"

Page 5, line 21, delete "therefor"

Page 5, line 25, after the period, insert "*All law library fees shall be published in the state register.*"

Page 5, line 28, delete "not"

Page 5, delete line 29 and insert "*other than Hennepin and Ramsey,*"

Page 6, line 2, delete "shall appear" and insert "appears"

Page 6, line 5, delete "or her"

Page 6, line 6, delete "It shall be the duty of"

Page 6, line 8, delete "to" and insert "shall"

Page 6, line 12, delete "therein"



Page 6, line 14, delete "therefor"

Page 6, line 22, delete "now or hereafter"

Page 6, line 31, delete the second comma

Page 6, line 32, delete everything before the period

Page 7, line 14, after "his" delete "or"

Page 7, line 15, delete "her"

Page 7, strike lines 22 and 23

Page 7, line 24, strike "established, but such" and insert "By July 1, 1982, all county law"

Page 8, after line 2, insert:

"Sec. 17. Minnesota Statutes 1980, Section 480.09, Subdivision 5, is amended to read:

Subd. 5. All moneys collected shall be paid into the state treasury and shall be added to the current *biennial* appropriation for the library."

Page 8, after line 10, insert:

"Sec. 19. [EFFECTIVE DATE.]

*This act is effective the day after final enactment.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "and"

Page 1, line 6, after the semicolon, insert "and 480.09, Subdivision 5;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 1484: 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 subdivisions; and 171.19.

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 169.121, Subdivision 1, is amended to read:

Subdivision 1. [CRIME.] It is a misdemeanor for any person to drive, operate or be in physical control of any motor vehicle within this state:

(a) When the person is under the influence of alcohol;

- (b) When the person is under the influence of a controlled substance;
- (c) When the person is under the influence of a combination of any two or more of the elements named in clauses (a) and (b); or
- (d) When the person's alcohol concentration is 0.10 or more.

The provisions of this subdivision apply, but are not limited in application, to any person who drives, operates, or is in physical control of any motor vehicle in the manner prohibited by this subdivision upon the ice of any lake, stream, or river, including but not limited to the ice of any boundary water.

*When an accident has occurred, a peace officer may lawfully arrest a person for violation of this section without a warrant upon probable cause, without regard to whether the violation was committed in the officer's presence.*

Sec. 2. Minnesota Statutes 1980, Section 169.121, Subdivision 2, is amended to read:

Subd. 2. [EVIDENCE.] Upon the trial of any prosecution arising out of acts alleged to have been committed by any person arrested for driving, operating, or being in physical control of a motor vehicle in violation of subdivision 1, the court may admit evidence of the amount of alcohol or a controlled substance in the person's blood, breath, or urine as shown by a medical or chemical analysis thereof, if the test is taken voluntarily or pursuant to section 169.123.

For the purposes of this subdivision:

(a) evidence that there was at the time an alcohol concentration of 0.05 or less is prima facie evidence that the person was not under the influence of alcohol;

(b) evidence that there was at the time an alcohol concentration of more than 0.05 and less than 0.10 is relevant evidence in indicating whether or not the person was under the influence of alcohol.

*Evidence of the absence of tests is admissible in a prosecution under this section without any comment and with a jury instruction, where applicable, that there shall be no speculation as to the reason for the absence and that no inference is to be drawn from the absence.*

*For purposes of this section and section 169.123, the result of an evidentiary test administered within two hours of the alleged violation is deemed to be the alcohol concentration at the time of the violation.*

The foregoing provisions do not limit the introduction of any other competent evidence bearing upon the question whether or not the person was under the influence of alcohol or a controlled substance, *including tests obtained more than two hours after the alleged violation.*

Sec. 3. Minnesota Statutes 1980, Section 169.121, Subdivision 6, is amended to read:

Subd. 6. [PRELIMINARY SCREENING TEST.] When a peace officer has reason to believe from the manner in which a person is driving, operating, or controlling, *or acting upon departure from* a motor vehicle, or has driven, operated, or controlled a motor vehicle, that the driver may be violating or has violated subdivision 1, he may require the driver to provide a sample of his breath for a preliminary screening test using a device approved by the com-

missioner of public safety for this purpose. The results of this preliminary screening test shall be used for the purpose of deciding whether an arrest should be made and whether to require the chemical tests authorized in section 169.123, but shall not be used in any court action except to prove that a chemical test was properly required of a person pursuant to section 169.123, subdivision 2. Following the screening test additional tests may be required of the driver pursuant to the provisions of section 169.123.

The driver of a motor vehicle who refuses to furnish a sample of his breath is subject to the provisions of section 169.123 unless, in compliance with section 169.123, he submits to a blood, breath or urine test to determine the presence of alcohol or a controlled substance.

Sec. 4. Minnesota Statutes 1980, Section 169.121, is amended by adding a subdivision to read:

*Subd. 8. [ALCOHOL ASSESSMENT.] When the person refuses a preliminary screening test or the evidentiary test shows an alcohol concentration of 0.07 or more, that result shall be reported to the commissioner of public safety. The commissioner shall record that fact on the driver's record. When the driver's record shows a second or subsequent refusal or report of an alcohol concentration of 0.07 or more within two years of a recorded report, the commissioner may require that the driver have an alcohol problem assessment meeting the commissioner's requirements. The assessment shall be at the driver's expense. In no event shall the commissioner suspend the license of a person who refuses to take the assessment or to undertake treatment, if treatment is indicated by the assessment, for longer than 90 days. If an assessment is made pursuant to this section, the commissioner may waive the assessment required by section 169.126.*

Sec. 5. Minnesota Statutes 1980, Section 169.123, is amended to read:

Subdivision 1. [PEACE OFFICER DEFINED.] For purposes of this section and section 169.121, the term peace officer means a state highway patrol officer, university of Minnesota peace officer, a constable as defined in section 367.40, subdivision 3, or police officer of any municipality, including towns having powers under section 368.01, or county.

Subd. 2. [IMPLIED CONSENT; CONDITIONS; ELECTION AS TO TYPE OF TEST.] (a) Any person who drives, operates, or is in physical control of a motor vehicle within this state consents, subject to the provisions of this section and section 169.121, to a chemical test of his blood, breath, or urine for the purpose of determining the presence of alcohol or a controlled substance. The test shall be administered at the direction of a peace officer. The test may be required of a person when an officer has reasonable and probable grounds to believe the person was driving, operating, or in physical control of a motor vehicle in violation of section 169.121 and one of the following conditions exist: (1) the person has been lawfully placed under arrest for violation of section 169.121, or an ordinance in conformity therewith; or (2) the person has been involved in a motor vehicle accident or collision resulting in property damage, personal injury, or death; or (3) the person has refused to take the screening test provided for by section 169.121, subdivision 6; or (4) the screening test was administered and recorded an alcohol concentration of 0.10 or more. ~~Any person may decline to take a direct blood test and elect to take either a breath or urine test, whichever is available and offered.~~ No action may

be taken against the person for declining to take a direct blood test unless either a ~~breath or urine~~ *an alternative test was available and offered.*

(b) At the time a chemical test specimen is requested, the person shall be informed:

(1) that if testing is refused, the person's right to drive will be revoked for a period of six months; and

(2) that if a test is taken and the results indicate that the person is under the influence of alcohol or a controlled substance, the person will be subject to criminal penalties and the person's right to drive may be revoked for a period of 90 days; and

(3) that the person has a right to consult with an attorney but that this right is limited to the extent that it cannot unreasonably delay administration of the test or the person will be deemed to have refused the test; and

(4) that after submitting to testing, the person has the right to have additional tests made by a person of his own choosing.

*In addition, a law enforcement agency may permit a person to take a confidential test and decide within 84 hours whether he shall permit use of the test.*

*Subd. 2b. [CONFIDENTIAL TEST; PROCEDURES; PENALTY.] A law enforcement agency may permit a person who for any reason is undecided whether or not to submit to a test, as required by subdivision 2, to take a confidential test. If the person within 84 hours thereafter declines in writing to permit use of the test, the test has no legal effect and may not be disclosed or used in any proceeding. It shall remain confidential, but the department of public safety may use summary data derived from the test results for statistical purposes. If a person does not within 84 hours decline to permit use of the test, the test is no longer confidential and shall be used to satisfy the requirements of section 169.123. A person who takes a confidential test shall receive no indication of the test results unless within 84 hours he consents in writing to permit use of the test as the test required by subdivision 2. Any person who seeks to learn the result of a test while the test is confidential is guilty of a petty misdemeanor.*

*If a person takes a confidential test, the peace officer shall take his driver's license or permit as if he had refused to submit to the test and, on behalf of the commissioner of public safety, give notice of intention to revoke and of revocation. The officer shall also issue a temporary license, valid until the time for filing a request for a hearing on the revocation has expired.*

*An officer who takes a person's driver's license or permit pursuant to this subdivision shall retain the license for 84 hours or until within that time the person in writing either declines to permit use of the test or consents to its use. If the person declines to permit use of the test the person violates section 169.123 and the officer shall proceed as though the test was refused. Otherwise, the officer shall either (1) return the license or permit, if the reading shows less than 0.10 percent alcohol concentration or (2) proceed in accordance with section 169.123, if the reading shows 0.10 percent or more alcohol concentration.*

Subd. 3. [MANNER OF MAKING TEST; ADDITIONAL TESTS.] Only a

physician, medical technician, physician's trained mobile intensive care paramedic, registered nurse, medical technologist or laboratory assistant acting at the request of a peace officer may withdraw blood for the purpose of determining the presence of alcohol or controlled substance. This limitation does not apply to the taking of a breath or urine specimen. The person tested has the right to have a person of his own choosing administer a chemical test or tests in addition to any administered at the direction of a peace officer; provided, that the additional test specimen on behalf of the person is obtained at the place where the person is in custody, after the test administered at the direction of a peace officer, and at no expense to the state. The failure or inability to obtain an additional test or tests by a person shall not preclude the admission in evidence of the test taken at the direction of a peace officer unless the additional test was prevented or denied by the peace officer. ~~Upon the request of the person who is tested, full information concerning the test or tests taken at the direction of the peace officer shall be made available to him.~~ The physician, medical technician, physician's trained mobile intensive care paramedic, medical technologist, laboratory assistant or registered nurse drawing blood at the request of a peace officer for the purpose of determining alcohol concentration shall in no manner be liable in any civil or criminal action except for negligence in drawing the blood. The person administering a test at the request and direction of a peace officer shall be fully trained in the administration of the tests pursuant to standards promulgated by rule by the commissioner of public safety.

Subd. 4. [REFUSAL, CONSENT TO PERMIT TEST; REVOCATION OF LICENSE.] If a person refuses to permit chemical testing, none shall be given, but the peace officer shall report the refusal to the commissioner of public safety and the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred. If a person submits to chemical testing and the test results indicate an alcohol concentration of 0.10 or more, the results of the test shall be reported to the commissioner of public safety and to the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred.

Upon certification by the peace officer that there existed reasonable and probable grounds to believe the person had been driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person refused to submit to chemical testing, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating privilege, for a period of six months. Upon certification by the peace officer that there existed reasonable and probable grounds to believe the person had been driving, operating or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person submitted to chemical testing and the test results indicate an alcohol concentration of 0.10 or more, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating privilege, for a period of 90 days.

If the person is a resident without a license or permit to operate a motor vehicle in this state, the commissioner of public safety shall deny to the person the issuance of a license or permit for the same period after the date of the alleged violation as provided herein for revocation, subject to review as hereinafter provided.

Subd. 5. [NOTICE OF REVOCATION OR DETERMINATION TO DENY; REQUEST FOR HEARING.] ~~No~~ A revocation under subdivision 4 is becomes effective ~~until at the time~~ the commissioner of public safety or a peace officer acting on his behalf notifies the person of the intention to revoke and of revocation and allows the person a 30 day period to request of the commissioner of public safety, in writing, a hearing as herein provided. If no request is filed within the 30 day period the order of revocation becomes effective. If a request for hearing is filed, a revocation is not effective until a final judicial determination resulting in a decision adverse to the person. The notice shall advise the person of the right to obtain administrative and judicial review as provided in this section. If mailed, the notice and order of revocation is deemed received three days after mailing to the last known address of the person.

Subd. 5a. [PEACE OFFICER AGENT FOR NOTICE OF REVOCATION.] On behalf of the commissioner of public safety a peace officer offering a chemical test or directing the administration of a chemical test may serve immediate notice of intention to revoke and of revocation on a person who refuses to permit chemical testing or on a person who submits to a chemical test the results of which indicate an alcohol concentration of 0.10 or more. The officer shall take the license or permit of the driver, if any, and issue a temporary license effective only for 30 7 days. The peace officer shall send the person's driver's license to the commissioner of public safety along with the certificate required by subdivision 4.

If the person requests a hearing within the 30 day period, the commissioner shall issue additional temporary licenses until the final determination of whether there shall be a revocation under this section.

Subd. 5b. [ADMINISTRATIVE REVIEW.] At any time during a period of revocation imposed under this section a person may request in writing a review of the order of revocation by the commissioner of public safety. Upon receiving a request the commissioner or his designee shall review the order, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. Within 15 days of receiving the request the commissioner shall report in writing the results of his review. The review provided in this subdivision is not subject to the contested case provisions of the administrative procedure act in sections 15.041 to 15.052.

The availability of administrative review for an order of revocation shall have no effect upon the availability of judicial review under this section.

Subd. 5c. [PETITION FOR JUDICIAL REVIEW.] Within 30 days following receipt of a notice and order of revocation pursuant to this section, a person may petition the court for review. The petition shall be filed with the clerk of county or municipal court in the county where the alleged offense occurred, together with proof of service of a copy on the commissioner of public safety, and accompanied by the standard filing fee for civil actions. No responsive pleading shall be required of the commissioner of public safety, and no court fees shall be charged for his appearance in the matter.

The petition shall be captioned in the name of the person making the petition as petitioner and the commissioner of public safety as respondent. The petition shall state with specificity the grounds upon which the petitioner seeks rescission of the order of revocation or denial.

*The filing of the petition shall not stay the revocation or denial. The reviewing court may order a stay of the balance of the revocation if the hearing has not been conducted within 60 days after filing of the petition upon terms the court deems proper. Judicial reviews shall be conducted according to the rules of civil procedure.*

*Subd. 5d. [IMMUNITY FROM LIABILITY.] (a) The state or political subdivision by which a peace officer making an arrest for violation of section 169.121 is employed shall have immunity from any liability, civil or criminal, for the care or custody of the motor vehicle being driven by, operated by, or in the physical control of the person arrested if the peace officer acts in good faith and exercises due care.*

*(b) For purposes of this subdivision, "political subdivision" means a county, statutory or home rule charter city, or town.*

*Subd. 6. [HEARING.] A hearing under this section shall be before a municipal or county judge, in the any county in the judicial district where the alleged offense occurred, unless there is agreement that the hearing may be held in some other county. The hearing shall be to the court and may be conducted at the same time and in the same manner as hearings upon pre-trial motions in the criminal prosecution under section 169.121, if any. The hearing shall be recorded. The commissioner of public safety may appear through his own attorney or, by agreement with the jurisdiction involved, through the prosecuting authority for that jurisdiction.*

*The hearing shall be held at the earliest practicable date, and in any event no later than 60 days following the filing of the petition for review. The judicial district administrator shall establish procedures to ensure efficient compliance with the provisions of this subdivision. To accomplish this, the administrator may, whenever possible, consolidate and transfer review hearings among the county courts within the judicial district.*

The scope of the hearing shall ~~ever~~ be limited to the issues of:

(1) whether the peace officer had reasonable and probable grounds to believe the person was driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance, and whether the person was lawfully placed under arrest for violation of section 169.121, or the person was involved in a motor vehicle accident or collision resulting in property damage, personal injury or death, or the person refused to take a screening test provided for by section 169.121, subdivision 6, or the screening test was administered and recorded an alcohol concentration of 0.10 or more; and

(2) whether at the time of the request for the test the peace officer informed the person of his rights and the consequences of taking or refusing the test as required by subdivision 2; and

(3) either (a) whether the person refused to permit the test, or (b) whether a test was taken and the test results indicated an alcohol concentration of 0.10 or more at the time of testing, and whether the testing method used was valid and reliable, and whether the test results were accurately evaluated.

It shall be an affirmative defense for the person petitioner to prove that, at the time of the refusal, his refusal to permit the test was based upon reasonable

grounds.

*Certified or otherwise authenticated copies of laboratory or medical personnel reports, records, documents, licenses and certificates shall be admissible as substantive evidence.*

The court shall order either that the revocation be rescinded or sustained and forward the order to the commissioner of public safety. *The court shall file its order within 14 days following the hearing.* If the revocation is sustained, the court shall also forward the person's driver's license or permit to the commissioner of public safety for his further action if the license or permit is not already in the commissioner's possession.

Subd. 7. [REVIEW BY DISTRICT COURT.] *If the revocation or denial is sustained, the person whose license or permit to drive, or nonresident operating privilege has been revoked or denied, may within 20 days after notice of the determination by the commissioner of public safety file a petition for a hearing of the matter in the district court in the county where the hearing pursuant to subdivision 6 was held unless there is agreement that the hearing may be held in some other county. The petition shall be filed with the clerk of the court together with proof of service of a copy thereof on the commissioner of public safety. It is the duty of the court to set the matter for hearing on a day certain with reasonable notice thereof to the parties. The hearing shall be on the record and shall be conducted in the same manner provided in sections 487.39 and 484.63 for appeal of misdemeanor convictions. Any party aggrieved by the decision of the reviewing court may appeal the decision to the district court as provided in sections 484.63 and 487.39.*

Subd. 8. [NOTICE OF ACTION TO OTHER STATES.] When it has been finally determined that a nonresident's privilege to operate a motor vehicle in this state has been revoked or denied, the commissioner of public safety shall give information in writing of the action taken to the official in charge of traffic control or public safety of the state of the person's residence and of any state in which he has a license.

Subd. 9. [LIMITED LICENSE.] In any case in which a license has been revoked under this section, the commissioner may issue a limited license to the driver. The commissioner in issuing a limited license may impose the conditions and limitations which in his judgment are necessary to the interests of the public safety and welfare, including re-examination of the driver's qualifications, attendance at a driver improvement clinic, or attendance at counseling sessions. The license may be limited to the operation of particular vehicles and to particular classes and time of operation. The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under a limited license shall have the license in his possession at all times when operating as a driver. In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver.

Subd. 10. [TERMINATION OF REVOCATION PERIOD.] If the commissioner receives notice of the driver's attendance at a driver improvement clinic, attendance at counseling sessions, or participation in treatment for an alcohol problem the commissioner may, 30 days prior to the time the revocation period would otherwise expire, terminate the revocation period. The commissioner shall not terminate the revocation period under this subdivision



for a driver who has had a license revoked under section 169.121 or this section for another incident during the preceding three year period.

Sec. 6. Minnesota Statutes 1980, Section 171.19, is amended to read:

171.19 [PETITION FOR REINSTATEMENT OF LICENSES.]

Any person whose driver's license has been refused, revoked, suspended, or canceled by the commissioner, *except where the license is revoked under section 169.123*, may file a petition for a hearing in the matter in the district court in the county wherein such person shall reside and, in the case of a non-resident, in the district court in any county, and such court is hereby vested with jurisdiction, and it shall be its duty, to set the matter for hearing upon 15 days' written notice to the commissioner, and thereupon to take testimony and examine into the facts of the case to determine whether the petitioner is entitled to a license or is subject to revocation, suspension, cancelation, or refusal of license, under the provisions of this chapter, and shall render judgment accordingly. The petition shall be heard by the court without a jury and may be heard in or out of term. The commissioner may appear in person, or by his agents or representatives, and may present his evidence upon the hearing by affidavit by himself, his agents, or representatives. The petitioner may present his evidence by affidavit, except that the petitioner must be present in person at such hearing for the purpose of cross-examination. In the event the department shall be sustained in these proceedings, the petitioner shall have no further right to make further petition to any court for the purpose of obtaining a driver's license until after the expiration of one year after the date of such hearing.

Sec. 7. Minnesota Statutes 1980, Section 634.15, is amended to read:

634.15 [ADMISSION INTO EVIDENCE OF CERTAIN CERTIFICATES OF ANALYSIS AND BLOOD SAMPLE REPORTS.]

Subdivision 1. [CERTIFICATES OF ANALYSIS; BLOOD SAMPLE REPORTS.] In any hearing or trial of a criminal offense or petty misdemeanor or proceeding pursuant to section 169.123, subdivision 4 6, *the following reports shall be admissible in evidence:*

(a) A report of the facts and results of a laboratory analysis or examination ~~shall be admissible in evidence~~ if it is prepared and attested by the person performing the laboratory analysis or examination in any laboratory operated by the bureau of criminal apprehension or authorized by the bureau to conduct an analysis or examination, or in any laboratory of the federal bureau of investigation, the federal postal inspection service, the federal bureau of alcohol, tobacco and firearms, or the federal drug enforcement administration; *and*

(b) A report of a blood sample withdrawn under the implied consent law if:

(i) The report was prepared by the person who administered the test;

(ii) The person who withdrew the blood sample was competent to administer the test under section 169.123, subdivision 3; and

(iii) The report was prepared consistent with any applicable rules promulgated by the commissioner of public safety.

A report described in clause (a) purported to be signed by the person performing the analysis or examination in a laboratory named ~~above~~ in that

*clause, or a blood sample report described in clause (b) purported to be signed by the person who withdrew the blood sample shall be admissible as evidence without proof of the seal, signature or official character of the person whose name is signed to it.*

Subd. 2. [TESTIMONY AT TRIAL.] An accused person or his attorney may request, by notifying the prosecuting attorney at least ten days before the trial, that the person who performed the laboratory analysis or examination following persons testify in person at the trial on behalf of the state:

*(a) A person who performed the laboratory analysis or examination for the report described in subdivision 1, clause (a); or*

*(b) A person who prepared the blood sample report described in subdivision 1, clause (b).*

Sec. 8. [EFFECTIVE DATE.]

*This act is effective July 1, 1982 and applies to violations occurring on or after that date."*

Delete the title and insert:

"A bill for an act relating to highway traffic regulations; providing for arrest without a warrant; defining admissible evidence; providing for alcohol problem assessments; providing alternative testing procedures; 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, Sections 169.121, Subdivisions 1, 2, and 6, and by adding a subdivision; 169.123; 171.19; and 634.15."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S.F. No. 1669: A bill for an act relating to courts; proposing an amendment to the Minnesota Constitution, Article VI, Sections 1, 2, 5 and 6; providing for a court of appeals; providing for election of judges; conferring certain powers and duties on the court of appeals; amending Minnesota Statutes 1980, Sections 2.724, Subdivision 2; 8.01; 10A.01, Subdivisions 5 and 19; 15.0416; 15.0417; 15.0424, Subdivisions 1, 2, 3 and 6; 15.0426; 45.07; 45.17, Subdivision 5; 97.481, Subdivision 2; 122.23, Subdivision 16c; 145.698, Subdivision 2; 145.838, Subdivision 4; 150A.08, Subdivision 2; 197.481, Subdivision 6; 210A.01, Subdivision 3; 237.39; 244.11; 260.291, Subdivision 2; 270.23; 290.48, Subdivision 6; 299F.25; 357.08; 363.072, Subdivisions 1 and 2; 373.11; 430.031, Subdivision 4; 480.01; 480.054; 480.055, Subdivision 1; 480.061, Subdivision 8; 480.19; 484.63; 487.39, Subdivisions 1 and 2; 488A.01, Subdivision 14; 488A.17, Subdivision 12; 488A.18, Subdivision 14; 488A.34, Subdivision 11; 501.35; 525.71; 574.18; 586.11; Minnesota Statutes 1981 Supplement, Sections 5.08, Subdivision 2; and 648.39, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 480A; repealing Minnesota Statutes 1980, Sections 80A.24, Subdivision 3; 363.10; 473.597; and 525.74.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 35, after "*appeals*," insert "*if established by the legislature*,"

Page 3, after line 7, insert:

*"Subd. 5. If the amendment is adopted, Article VIII, Section 2, of the Minnesota Constitution will read:*

Sec. 2. The governor, secretary of state, treasurer, auditor, attorney general and the judges of the supreme court, court of appeals and district courts may be impeached for corrupt conduct in office or for crimes and misdemeanors; but judgment shall not extend further than to removal from office and disqualification to hold and enjoy any office of honor, trust or profit in this state. The party convicted shall also be subject to indictment, trial, judgment and punishment according to law."

Page 3, line 19, delete "*Until*" and insert "*On*"

Page 3, line 19, delete "*1984*" and insert "*1983*"

Page 4, line 14, before "*One*" insert "*By January 1, 1984*,"

Page 5, delete lines 17 to 28 and insert:

*"Subdivision 1. [ELECTION; TERM; REMOVAL.] The governor shall designate one of the judges of the court of appeals to be chief judge for a term of three years. Vacancies in the office of chief judge shall be filled for the remainder of the unexpired term.*

*The chief judge may be reappointed. If the chief judge ceases to be a judge of the court of appeals, the office of chief judge also becomes vacant."*

Page 6, line 11, before the period, insert "*, except that it shall not have jurisdiction of criminal appeals in cases in which the defendant has been convicted of murder in the first degree*"

Page 6, line 16, delete "*tax court, pursuant*"

Page 6, line 17, delete "*to section 271.10, and the*"

Page 6, line 30, delete "*other than purely formal matters*"

Page 7, line 8, before "*In*" insert "*A decision shall be rendered in every case within 90 days after oral argument or after the final submission of briefs or memoranda by the parties, whichever is later.*"

Page 7, line 25, after "*certiorari*" insert "*to review decisions of the commissioner of economic security*"

Page 7, line 25, delete the colon and insert a period

Page 7, delete lines 26 to 36

Page 8, delete lines 1 to 6

Page 8, line 13, delete "*such*" and insert "*a*" and after "*place as*" insert "*designated by*"

Page 8, line 14, delete "*may designate*"

Page 9, line 19, after the period, insert "*The supreme court shall issue its*

*decision whether to grant a petition for review within 60 days of the date the petition is filed."*

Page 9, line 20, before "The" insert "(a)"

Page 9, after line 31, insert:

*"(b) Upon its own motion or upon the certification of the court of appeals, the supreme court may provide for accelerated review of any case if (i) the question presented is an important one upon which the court has not, but should rule, (ii) the lower courts have held a statute to be unconstitutional, (iii) the lower courts have so far departed from the accepted and usual course of justice as to call for an exercise of the court's supervisory powers, or (iv) the court of appeals has a backlog of cases."*

Pages 10 to 27, delete sections 14 to 45 and insert:

"Sec. 14. Minnesota Statutes 1981 Supplement, Section 204B.06, Subdivision 6, is amended to read:

Subd. 6. [JUDICIAL CANDIDATES; DESIGNATION OF TERM:] An individual who files as a candidate for the office of associate justice of the supreme court, judge of the *court of appeals* or district court, or judge of county or county municipal court shall state in the affidavit of candidacy the office of the particular justice or judge for which the individual is a candidate. The individual shall be a candidate only for the office identified in the affidavit. Each justice of the supreme court and each *court of appeals*, district, county or county municipal court judge is deemed to hold a separate nonpartisan office.

Sec. 15. Minnesota Statutes 1981 Supplement, Section 204B.34, Subdivision 3, is amended to read:

Subd. 3. [JUDICIAL ELECTIONS.] When one or more justices of the supreme court or judges of the *court of appeals* or of a district, county or county municipal court are to be nominated at the same primary or elected at the same general election, the notice of election shall state the name of each justice or judge whose successor is to be nominated or elected."

Pages 27 and 28, delete sections 47 to 50

Pages 31 to 36, delete sections 55 to 62 and insert:

"Sec. 21. [632.14] [APPEALS IN FIRST DEGREE MURDER CASES.]

*A person who has been convicted of murder in the first degree may appeal directly from the district court to the supreme court. The appeal may include other charges against the same defendant which were tried in the same trial as the first degree murder charge. The rules of appellate procedure shall provide the form of the appeal.*

Sec. 22. [INITIAL APPOINTMENT OF JUDGES.]

*The judicial offices created in section 3, subdivision 2 shall be filled initially by appointment by the governor."*

Page 36, line 17, delete "46" and insert "16"

Page 36, line 20, delete "such time as" and delete "or she"

Page 36, line 21, after the period, insert "If a justice who was serving on

August 1, 1983, is defeated for reelection by another person, that other person shall be deemed to have been in office as of August 1, 1983, for the purposes of this section."

Page 36, lines 25 and 28, delete "Minnesota Statutes,"

Page 36, line 29, delete "such" and insert "that"

Page 37, line 2, delete "Minnesota Statutes,"

Page 37, lines 4, 11 and 14, delete "or subsequent" and delete "editions" and insert "edition"

Page 37, line 18, after the comma, insert "or to reflect subsequent amendments,"

Page 37, delete lines 21 to 36 and insert:

<i>column A</i>	<i>column B</i>	<i>column C</i>
<i>Minnesota Statutes 1980</i>	<i>Minnesota Statutes 1980</i>	<i>Minnesota Statutes 1980</i>
<i>Section 3.751, Subdivision 4</i>	<i>Section 32A.09, Subdivision 5</i>	<i>Section 256.045, Subdivision 10</i>
<i>Section 44.09, Subdivision 3</i>		
<i>Section 49.18</i>	<i>Section 209.09</i>	<i>Section 270.26</i>
<i>Section 56.23</i>	<i>Section 253A.15, Subdivision 2</i>	
<i>Section 60A.05</i>	<i>Section 253A.21, Subdivision 5</i>	
<i>Section 60A.15, Subdivisions 11 and 12</i>	<i>Section 268.06, Subdivision 20</i>	
<i>Section 72A.27</i>	<i>Section 268.10, Subdivision 8</i>	<i>Section 297.08, Subdivision 3</i>
<i>Section 84.59</i>	<i>Section 270.22</i>	<i>Section 357.07</i>
<i>Section 97.50, Subdivision 6</i>		<i>Section 412.092, Subdivision 1</i>
<i>Section 106.631, Subdivisions 5 and 6</i>		<i>Section 480.062</i>
<i>Section 110A.36</i>		<i>Section 590.01, Subdivision 1</i>
<i>Section 111.42</i>	<i>Section 273.16</i>	<i>Section 590.04 Subdivision 3</i>
<i>Section 112.82, Subdivisions 1 and 2</i>		<i>Section 611.07, Subdivisions 2 and 3</i>
<i>Section 114.13, Subdivision 14</i>	<i>Section 290.92, Subdivision 6</i>	<i>Section 611.071, Subdivisions 1 and 2</i>
<i>Section 115.49, Subdivision 5</i>	<i>Section 294.09, Subdivision 3</i>	<i>Section 611.14</i>
<i>Section 116A.19, Subdivision 4</i>	<i>Section 298.09, Subdivision 3</i>	<i>Section 611.18</i>
<i>Section 116C.65</i>	<i>Section 299F.26, Subdivision 3</i>	<i>Section 611.25</i>
<i>Section 123.32,</i>	<i>Section 430.03</i>	

<i>Subdivision 25</i>	<i>Section 558.215</i>
<i>Section 127.25,</i>	
<i>Subdivision 3</i>	
<i>Section 161.34,</i>	<i>Section 562.04</i>
<i>Subdivision 4</i>	
<i>Section 168.68</i>	<i>Section 580.29</i>
<i>Section 177.29,</i>	<i>Section 586.09</i>
<i>Subdivision 2</i>	
<i>Section 178.09,</i>	<i>Section 589.29</i>
<i>Subdivision 2</i>	
<i>Section 179.64</i>	<i>Section 589.30</i>
<i>Section 181A.10,</i>	<i>Section 590.06</i>
<i>Subdivision 2</i>	
<i>Section 185.15</i>	<i>Section 595.024,</i>
	<i>Subdivision 3</i>
<i>Section 209.10,</i>	<i>Section 595.025,</i>
<i>Subdivision 1</i>	<i>Subdivision 3</i>
<i>Section 246.55</i>	
<i>Section 256.045,</i>	
<i>Subdivision 9</i>	
<i>Section 259.32</i>	
<i>Section 279.21</i>	
<i>Section 297.08,</i>	
<i>Subdivision 4</i>	
<i>Section 297A.15,</i>	
<i>Subdivision 4</i>	
<i>Section 340.404,</i>	
<i>Subdivision 7</i>	
<i>Section 340.54,</i>	
<i>Subdivision 2</i>	
<i>Section 375.67,</i>	
<i>Subdivision 3</i>	
<i>Section 387.41</i>	
<i>Section 414.07,</i>	
<i>Subdivision 2</i>	
<i>Section 414.08</i>	
<i>Section 419.12</i>	
<i>Section 420.13</i>	
<i>Section 462.14,</i>	
<i>Subdivision 12</i>	
<i>Section 462.715</i>	
<i>Section 465.43</i>	
<i>Section 473.675,</i>	
<i>Subdivision 4</i>	
<i>Section 571.64</i>	
<i>Section 582.11"</i>	

Page 38, delete lines 1 to 36

Page 39, delete lines 1 to 35

Page 40, delete section 67 and insert:

“Sec. 27. [EFFECTIVE DATE; TRANSITION.]

*Sections 3 to 25 shall become effective only upon ratification of the amendment proposed in section 1 of this act as provided in the Minnesota Constitution. If the constitutional amendment proposed by section 1 is adopted by the*

people,

(a) sections 3 to 7 of this act are effective July 1, 1983, and

(b) sections 8 to 26 are effective August 1, 1983. The court of appeals shall have jurisdiction over cases in which the notice of appeal, petition for review, or writ, is filed on or after August 1, 1983. In all cases in which the notice, petition or writ was filed on or before July 31, 1983, the court to which such appeal, petition, or writ was taken shall continue to exercise jurisdiction, notwithstanding any change introduced by this act. In any such case in which a district or county court retains jurisdiction and appeal is taken against its decision on or after August 1, 1983, appeal shall be taken to the court of appeals as provided herein.

Sec. 28. [BALLOT QUESTION.]

Notwithstanding any law or rule to the contrary, the ballot question in section 2 shall immediately precede any other questions placed on the ballot and submitted to the people at the 1982 general election. This section is effective the day following final enactment.

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4; after "6;" insert "and Article VIII, Section 2;"

Page 1, line 7, delete everything after "Sections"

Page 1, delete lines 8 to 17 and insert "480.01;"

Page 1, line 19, delete everything after "14;"

Page 1, delete line 20

Page 1, line 21, delete everything before "Minnesota" and insert "and"

Page 1, line 22, delete everything after "Sections" and insert "204B.06, Subdivision 6; 204B.34,"

Page 1, line 23, delete "1" and insert "3"

Page 1, line 24, delete "Chapter" and insert "Chapters" and after "480A" insert "and 632"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1234: A bill for an act relating to public employment labor relations; clarifying the definition of "employer"; amending Minnesota Statutes 1980, Section 179.63, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, delete "and"

Page 1, line 15, after "487.10," insert "or other law,"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H.F. No. 1699: A bill for an act relating to education; requiring all public elementary and secondary schools to provide instructional programs in chemical abuse; amending Minnesota Statutes 1980, Section 126.03; and proposing new law coded in Chapter 126.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, delete "*To the extent possible,*"

Page 1, line 19, delete "*encourage the participation of*" and insert "*involve*"

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. 1632: A bill for an act relating to education; providing for enrollment in a school district other than the district of residence in cases of particular hardship; amending Minnesota Statutes 1980, Section 120.0751, Subdivision 3, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, reinstate the stricken language and delete "*or*"

Page 1, line 22, delete "*The*"

Page 1, delete lines 23 to 25

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H.F. No. 1603: A bill for an act relating to education; requiring the board of teaching and the state board of education to accept completion of certain training programs in lieu of the human relations components required for licensure; amending Minnesota Statutes 1980, Section 125.05, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 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.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 1531: A bill for an act relating to labor; providing for occupational safety and health; defining "toxic substance"; requiring certain information; creating a right to refuse work with a toxic substance under certain conditions; amending Minnesota Statutes 1980, Sections 182.651, by adding a subdivision; 182.654, by adding a subdivision; and 182.655, Subdivision 10.



Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 20, after "right" insert "*without loss of pay or other benefits of employment.*"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 2044: A bill for an act relating to public welfare; modifying certain provisions relating to medical assistance; providing for a case management system and competitive bidding procedures; allowing a cause of action against responsible relatives; providing for payments to health maintenance organizations; allowing certain claims against the homesteads of recipients; altering eligibility standards related to income and liquid assets; amending Minnesota Statutes 1980, Sections 256B.01; 256B.04, by adding a subdivision; 256B.05, Subdivision 2; 256B.06, Subdivision 3; 256B.14; 256B.19, Subdivision 1; 256B.27, Subdivision 3; 510.05; 524.3-805; 525.16; Minnesota Statutes 1981 Supplement, Sections 256.966; 256B.06, Subdivision 1, as amended; 256B.15; and 525.145.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1 and 2, delete section 1

Page 3, line 12, after "spouse" insert "*of a medical assistance recipient*" and after "a" insert "*minor*" and delete "*, if the*"

Page 3, line 13, delete everything before the period

Page 3, lines 21 and 24, delete "*such*" and insert "*the*"

Page 3, line 24, delete "*there*"

Page 3, line 25, delete "*shall exist*" and after "*action*" insert "*exists*"

Page 3, line 28, after "*determined*" insert "*to be*"

Page 3, line 31, delete the second "*of*" and insert "*incurred due to*"

Page 4, line 22, delete "*the*" and insert "*this*"

Page 4, line 24, delete "*responsibility*" and insert "*responsibility*"

Page 4, after line 24, insert:

*"State contracts with health maintenance organizations shall assure medical assistance recipients of at least the comprehensive health maintenance services defined in section 62D.02, subdivision 7. The contracts shall require health maintenance organizations to provide information to the commissioner concerning the number of people receiving services, the number of encounters, the type of services received, evidence of an operational quality assurance program pursuant to section 62D.04 and information about utilization. Persons who become eligible for medical assistance after July 1, 1982 and who choose to receive services from a health maintenance organization under contract to the state pursuant to this section shall be guaranteed six months medical assistance eligibility."*

Page 5, line 6, delete "*determined*" and insert "*defined*"

Pages 5 to 7, delete sections 8 to 10

Pages 11 and 12, delete sections 13 and 14

Page 12, after line 26, insert:

“Sec. 9. [APPROPRIATION; REPORT.]

*The sum of \$25,000 is appropriated from the general fund to the commissioner of public welfare for the biennium ending June 30, 1983 to implement and coordinate the state, county, and health maintenance organization administrative arrangements required in section 6 and to prepare a report to the legislature by January 15, 1984 on the cost effectiveness of the program.”*

Page 12, line 28, delete “2, 6 to 10, 13 and 14” and insert “1, 3, 5 and 6”

Page 12, line 29, delete “3, 5, 11 and 12” and insert “2, 4, and 7 to 9”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete “allowing certain”

Page 1, delete lines 8 and 9

Page 1, line 10, delete “assets” and insert “appropriating money”

Page 1, line 11, delete “256B.01;”

Page 1, line 13, delete “510.05;”

Page 1, line 14, delete “525.3-805; 525.16;”

Page 1, line 15, after “256.966;” insert “and”

Page 1, line 15, after “amended” delete the semicolon

Page 1, line 16, delete everything before the period

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

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.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [NATURAL RESOURCES; ADDITIONS TO SPLIT ROCK CREEK RECREATION AREA.]

*Subdivision 1. [TERMS.] The commissioner of natural resources is authorized to acquire by gift, purchase, or, if authorized by law, by condemnation proceedings the lands which are added as described in subdivision 2. Any land which now is or hereafter becomes tax-forfeited land and is located within the described area boundaries is withdrawn from sale and is transferred from the custody, control, and supervision of the county board of the county to the commissioner of natural resources, free from any trust in favor of the interested taxing districts. The commissioner shall execute a certificate of acceptance of the lands on behalf of the state for such purposes and transmit the same to the county auditor of the county for record as provided by law in the case of tax-forfeited land transferred to the commissioner by resolution of the county board for conservation purposes. Any lands within the herein described*

boundaries which may be owned by the United States and managed by any of its agents may be acquired by land exchange, direct transfer, or purchase as federal laws may prescribe. The lands acquired pursuant to this section shall be administered in the same manner as provided for other recreation areas and shall be perpetually dedicated for such use.

*Subd. 2. [85.013] [Subd. 26.] [SPLIT ROCK CREEK RECREATION AREA.] The following areas are added to Split Rock Creek Recreation Area: That portion of the Northwest Quarter of Section 22; Township 105 North, Range 46 West, lying outside the existing statutory boundary.*

*That part of the Northwest Quarter of Section 15, Township 105 North, Range 46 West, being a strip of land 100 feet in width lying northeasterly of, parallel with, adjacent and contiguous to the following described line: Commencing at a point on the east - west quarter line of said Section 15 distance 2120 feet east of the west line of said Section 15; thence north parallel to said west line 1097.25 feet; thence west parallel to the north line of said Section 15, a distance of 267 feet to the point of beginning of the line to be described; thence northwesterly, a distance of 877.55 feet and there terminating, along a line which runs to a point which is 92 feet south and 33 feet east of the northwest corner of said Section 15.*

*That part of the Northeast Quarter of the Southwest Quarter of Section 15, Township 105 North, Range 46 West, described as follows: Beginning at a point on the south line of said Northeast Quarter of the Southwest Quarter 520 feet west of the southeast corner thereof; thence northerly to a point on the north line of said Northeast Quarter of the Southwest Quarter 2120 feet east of the west line of said Section 15; thence westerly along the north line of said Northeast Quarter of the Southwest Quarter to the northwest corner thereof; thence southeasterly to the point of beginning."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S.F. No. 1556: A bill for an act relating to public safety; prohibiting the sale, use, manufacture and possession of high penetration bullets; prohibiting the sale and possession of armor-piercing bullets; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 624.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [624.74] [METAL-PENETRATING BULLETS PROHIBITED.]

*Subdivision 1. [INTENT.] This section is designed to give law enforcement officers a reasonable degree of protection from penetration of quality body armor. It is not the intent of this section to restrict the availability of ammunition for personal defense, recreational, sporting, or hunting purposes.*

*Subd. 2. [DEFINITION.] For the purposes of this section, “metal-penetrating bullet” means a bullet of caliber 9 mm, .25, .32, .357, .38, .41, or .44, which (1) can be loaded in a handgun that is auto-loading or has a revolving cylinder, (2) is comprised of any hard metal or hard metal alloy, or soft metal jacket with a hardened core comprised of any hard metal or hard metal alloy, which purposely reduces the normal expansion or mushrooming of the bullet’s shape upon impact, and (3) penetrates a vest consisting of 18 layers*

of kevlar of type 29, 1000 denier, with a 31 by 31 linear thread count or equivalent, when fired from a handgun with a barrel length of not more than 5-1/2 inches in a test conducted by the bureau of criminal apprehension in accordance with the test procedures promulgated by the United States Department of Justice for determining the NILECJ standard for the ballistic resistance of police body armor as specified in NILECJ-STD-0101.01 (December 1978). "Metal-penetrating bullet" excludes any bullet composed of copper or brass jackets with lead or lead alloy cores and any bullet composed of lead or lead alloys.

*Subd. 3. [SALE PROHIBITED.] It is unlawful for any person to sell any metal-penetrating bullet of the arcane, KTW, or Winchester/Western AP brand name or manufacture. A violation of this subdivision is a gross misdemeanor.*

*Subd. 4. [USE OR POSSESSION IN COMMISSION OF A CRIME.] Any person who uses or possesses a metal-penetrating bullet during the commission of another felony is guilty of a separate felony and may be sentenced to imprisonment for not more than three years or to payment of a fine of not more than \$3000, or both. Any sentence imposed under this subdivision shall not be served concurrently with the sentence for the other felony.*

*Subd. 5. [EXCEPTIONS.] The provisions of subdivision 3 do not apply to sales by any munitions manufacturer or its employees to agencies of the federal government or law enforcement agencies."*

Delete the title and insert:

"A bill for an act relating to public safety; prohibiting the sale of certain metal-penetrating bullets; prohibiting the possession or use of metal-penetrating bullets during the commission of a crime; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 624."

And when so amended the bill do pass. Mr. Lessard questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Humphrey from the Committee on Energy and Housing, to which was referred

S.F. No. 1941: A bill for an act relating to municipal housing; authorizing the planning, implementation, and financing of rehabilitation and energy improvement loans; amending Minnesota Statutes 1980, Sections 462C.01; 462C.02, Subdivisions 3, 4 and 5, and by adding subdivisions; 462C.03, as amended; 462C.04, Subdivision 2; 462C.05, Subdivisions 2 and 5; 462C.07, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 462C.05, Subdivisions 1 and 3; and 462C.09; repealing Minnesota Statutes 1981 Supplement, Section 462C.07, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 24, delete ""Substantial rehabilitation" means"

Page 3, delete lines 25 to 27

Page 3, after line 32, insert:

"(b) a development district established pursuant to Laws 1971, Chapter

677, as amended by Laws 1974, Chapter 677, Section 2,."

Reletter the clauses in sequence

Page 7, line 19, after "sale" insert "or rent"

Page 7, lines 28 to 32, delete the new language

Page 11, line 3, delete "are"

Page 11, line 10, delete everything after the period

Page 11, delete lines 11 to 14

Pages 12 and 13, delete section 14 and insert:

"Sec. 14. Minnesota Statutes 1981 Supplement, Section 462C.09, is amended to read:

462C.09 [ALLOCATION OF QUALIFIED MORTGAGE BONDS.]

*Subdivision 1. [HOUSING FINANCE AGENCY ALLOCATION.]* 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 (i) any amounts of bonds which have been or may be allocated by law to specified cities and (ii) any amounts of bonds which are allocated to cities pursuant to subdivisions 2 and 3. The aggregate amount allocated to cities, under (i) or (ii), together with the amount of bonds reserved for the agency, shall not exceed the limit for the state under section 103A(g) of the Internal Revenue Code of 1954, as amended through March 1, 1982.

By July 1 August 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 submit its housing programs to the Minnesota housing finance agency for approval pursuant to section 462C.04, subdivision 2, in an amount of bonds equal to or less than, the city's allocation. If the amount certified of bonds, for which program approval is granted on or before September 1 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 for which program approval has been granted.

*Subd. 2. [CITY ALLOCATION.]* Unless otherwise authorized by law, any city which intends to issue mortgage revenue bonds during any calendar year which are subject to the volume limitation imposed by section 103A(g) of the Internal Revenue Code of 1954, as amended through March 1, 1982, shall by January 2 of that year submit a program or programs to the Minnesota housing finance agency that will use a portion of the state mortgage revenue bond ceiling, provided that for calendar year 1982 programs shall be submitted by May 30, 1982. The total amount of bonds included in all programs of any city shall not exceed \$10,000,000. Each program shall be accompanied by a certificate from the city that states that the revenue bond issue is feasible and that identifies the amount and sources of non-bond proceeds, if any, which will be contributed to the program to be financed by the bond issue, provided that no contribution of non-bond proceeds shall be required. By February 1, the

Minnesota housing finance agency shall review each program pursuant to section 462C.04, subdivision 2, provided that for calendar year 1982, programs shall be approved by June 30, 1982. The Minnesota housing finance agency shall approve all programs that the agency determines are consistent with this chapter, provided that if the approval of all programs would result in an allocation to cities in excess of 27-1/2 percent of the state ceiling for the calendar year, reduced by any amount of bonds that are allocated by law to specified cities, the Minnesota housing finance agency shall only approve those programs based upon the following factors and based solely upon the program with accompanying information submitted to the agency. The Minnesota housing finance agency shall determine the following factors for each program:

(1) The proportion of the proposed issue which is reserved for a period of not less than six months for persons and families with incomes below 80 percent of the limits on adjusted gross income provided in section 462C.03, subdivision 2;

(2) The proportion of the proposed issue which is reserved for a period of not less than six months for persons and families with incomes below 90 percent of the limits on adjusted gross income provided in section 462C.03, subdivision 2; and

(3) The amount of non-bond proceeds, if any, as a percentage of the proposed issue, which are to be contributed to the program.

Programs shall be ranked based upon the percentage determined for factor (1) with the program having the highest percentage receiving the highest ranking. If two or more programs have the same percentage, then they shall be ranked based upon the percentages determined for factor (2) with the program receiving the highest percentage receiving the highest ranking. If two or more programs have the same percentage for factors (1) and (2), then they shall be ranked based upon the percentages determined for factor (3) with the program having the highest percentage receiving the highest ranking. If two or more programs have the same percentage for factors (1), (2), and (3), then their ranking shall be determined by lot. The Minnesota housing finance agency shall then approve programs based upon the ranking until an amount equal to 27-1/2 percent of the state ceiling for the calendar year, reduced by any amount of bonds which are allocated by law to specified cities, is allocated pursuant to this subdivision. Approval of a program shall constitute an allocation of a portion of the state ceiling for mortgage revenue bonds equal to the proposed bond issue or issues contained in the program, provided that the allocation for the lowest ranked program that receives an allocation may be equal to or less than the amount of the bond issue or issues proposed in the program.

If a city which received an allocation pursuant to this subdivision, or which has been allocated a portion of the state ceiling by law and has received approval of one or more programs, has not issued bonds by September 1 in an amount equal to the allocation, and the city intends to issue mortgage revenue bonds prior to the end of the calendar year, the city shall by September 1 submit to the Minnesota housing finance agency for each program a letter that states the city's intent to issue the mortgage revenue bonds prior to the end of the calendar year. If the Minnesota housing finance agency does not receive

*the letter from the city, then the allocation of the state ceiling for that program shall expire on September 1, and the applicable limit for the Minnesota housing finance agency shall be increased by an amount equal to the unused portion of the allocation to the city. A city referred to in subdivision 1, clause (i), of this section shall not be required to apply under this subdivision with respect to bonds allocated by law to any such city. Nothing in this subdivision shall prevent any such city from applying for an additional allocation of bonds under this subdivision.*

*Subd. 3. [ADDITIONAL CITY ALLOCATION.] On or before September 1 of each year, the Minnesota housing finance agency shall identify the amount, if any, of its applicable limit for housing mortgage bonds for that calendar year that it does not intend to issue. Any city that intends to issue mortgage revenue bonds prior to the end of the calendar year for which it has not received an allocation of the state ceiling may submit a program for approval on or before September 1 to the Minnesota housing finance agency for a portion of the amount of the Minnesota housing finance agency's applicable limit as provided in subdivision 1 which the agency does not intend to issue. The total amount of bonds included in all programs of any city submitted pursuant to this subdivision shall not exceed \$10,000,000. The program shall be accompanied by the same certificate required by subdivision 2. The Minnesota housing finance agency shall allocate the amount of the state ceiling to be allocated pursuant to this subdivision using the same factors listed in subdivision 2, provided that a program for any city receiving an allocation pursuant to subdivision 2 during the calendar year shall be ranked below all other programs if the bonds proposed in the program, when added to the bonds included in programs approved pursuant to subdivision 2, exceed \$10,000,000. A city that submitted a program pursuant to subdivision 2 but that did not receive an allocation may renew its application with a letter of intent to issue. Nothing in this subdivision shall prevent any city referred to in subdivision 1, clause (i), from applying for an additional allocation of bonds under this subdivision.*

*Subd. 4. [AGENCY REVIEW.] The 30 day review requirement in section 462C.04, subdivision 2, shall not apply to programs submitted to the agency that require an allocation of the state ceiling pursuant to this section. A failure by the agency to complete any action by the dates set forth in this section shall not result in the approval of any program or the allocation of any portion of the applicable limit of the agency. Approval by the agency of programs after the dates provided in this section shall be effective in allocating a portion of the state ceiling. Programs approved by the agency may be amended with the approval of the agency under section 462C.04, subdivision 2, provided that the dollar amount of bonds for the program may not be increased."*

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. 2053: A bill for an act relating to education; authorizing the state university board to lease land on Mankato state university campus; permitting Mankato state university to lease a building; transferring title for a building to the state; proposing new law coded in Minnesota Statutes, Chapter 136.

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. 2054: A bill for an act relating to the department of economic security; regulating community action programs and agencies; amending Minnesota Statutes 1981 Supplement, Sections 268.52, Subdivisions 1, 2, and 4; 268.53, Subdivisions 1, 2, and by adding subdivisions; 268.54, Subdivision 2.

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. 1714: A bill for an act relating to the environment; limiting and reducing emissions of sulphur dioxide in the state; requiring adoption of an acid deposition control standard and plan by the pollution control agency; requiring reports; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 116.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, after "forest," insert "fish,"

Page 3, after line 14, insert:

"Sec. 5. Minnesota Statutes 1981 Supplement, 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 quarterly, at least 30 days before the start of each quarter, by the board against all utilities. *The assessment shall also include an amount sufficient to cover 60 percent of the costs to the pollution control agency of developing the acid deposition control plan required by sections 1 to 4; this amount shall be certified to the board by the executive director of the pollution control agency.* 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 *sum of the annual budget of the board for carrying out the purposes of this subdivision plus 60 percent of the annual budget of the pollution control agency for developing the plan required by sections 1 to 4.* 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 *and the pollution control agency* for the preceding fiscal year were more or less than the estimated expenditures previously assessed."



Page 3, line 17, before the period, insert *“; for fiscal year 1983, the assessment pursuant to section 5 shall not exceed this amount”*

Page 3, delete line 19, and insert:

*“Section 5 is effective June 1, 1982. Sections 1 to 4 are effective July 1, 1982.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the first semicolon, insert *“imposing an assessment on utilities;”*

Page 1, line 6, after the second semicolon, insert *“amending Minnesota Statutes 1981 Supplement, Section 116C.69, Subdivision 3;”*

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. 2123: A bill for an act relating to the city of Duluth; authorizing the sale of bonds to finance the purchase of certain equipment without an election; providing for a reverse referendum.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, after *“the”* insert *“annual”*

Page 1, line 11, after *“\$2,000,000”* insert *“annually”*

Page 2, line 3, delete *“8 percent of the registered voters of the city”* and insert *“ten percent of those voting in the last general election”*

Page 2, line 11, after *“Duluth”* insert *“but no bonds shall be issued pursuant to this act after April 1, 1985”*

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. 1228: A bill for an act relating to cities; authorizing city rehabilitation loan programs for small and medium sized commercial buildings; and providing for the issuance of revenue bonds to finance the programs; proposing new law coded in Minnesota Statutes, Chapter 459.

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. 1596: A bill for an act relating to drivers licenses; requiring the suspension of licenses of certain uninsured persons; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 171.

Reports the same back with the recommendation that the bill be amended as

follows:

Page 4, lines 11 and 12, delete "*for fiscal year 1983*"

Page 4, line 12, before the period, insert "*, to be available until June 30, 1983*"

Page 4, after line 12, insert:

"Sec. 6. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1794: A bill for an act relating to health; providing for evaluation of certain changes in certificate of need review; requiring monitoring; amending the thresholds of review; providing for additional waivers; requiring reports; amending Minnesota Statutes 1980, Sections 145.833, Subdivision 5; and 145.835, Subdivisions 3 and 4; repealing Minnesota Statutes 1980, Sections 145.832 to 145.845, as amended; and Minnesota Statutes 1981 Supplement, Section 62D.22, Subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 7, strike everything after "acquisition"

Page 2, line 8, strike everything before "by"

Page 2, line 11, after "expenditure" insert "*, under generally accepted accounting principles,*" and delete "\$600,000" and strike "*, and which,*"

Page 2, strike line 12

Page 2, line 13, strike everything before the semicolon, and insert "\$600,000"

Page 3, line 7, before the period, insert "*; and*

*(e) The purchase, lease or other acquisition of diagnostic or therapeutic equipment by, or on behalf of, a health care facility which requires, or would require if purchased, a total capital expenditure in excess of \$400,000 for any one item of equipment"*

Page 4, line 7, after the stricken "and" insert "*; or*

*(b)"* and reinstate the stricken "the expenditure is required solely to meet"

Page 4, line 8, reinstate the stricken language

Page 4, line 9, strike "(b)" and insert "(c)"

Page 4, line 14, delete "(c)" and insert "(d)" and delete everything after "The"

Page 4, line 15, delete "ambulatory care program" and insert "construction or modification"

Page 4, line 16, before the period, insert "*; or*

*(e) The construction or modification is for an experimental or demonstration project"*

Page 4, after line 22, insert:

*"Proposed criteria for waivers in clauses (d) and (e) of this subdivision shall be published in the state register by June 1, 1982, and the public shall be given an opportunity to review and comment on the proposed criteria prior to implementation. The criteria are not subject to the requirements of sections 15.0412 to 15.0417. The criteria shall be published in the state register and implemented by August 15, 1982."*

Page 4, line 35, delete "DATA DEFINED" and insert "DEVELOPMENT OF PERFORMANCE INDICATORS" and delete "Prior to any repeal or"

Page 4, line 36, delete everything before the second "the"

Page 5, line 2, after "development" insert ", the commissioner of public welfare,"

Page 5, line 3, delete "the market" and insert "industry economic" and delete "and financial variables"

Page 5, line 4, delete "these" and insert "the" and before "on" insert "in the certificate of need act" and after "on" insert "the"

Page 5, line 5, delete everything before "health" and insert "of" and delete "system"

Page 5, delete lines 6 and 7

Page 5, line 8, before "REVIEW" insert "PUBLIC"

Page 5, line 9, delete the second "the"

Page 5, line 10, delete "market" and insert "proposed industry economic" and delete everything after "indicators" and insert "to"

Page 5, line 11, delete everything after "of"

Page 5, line 12, delete "of need act" and insert "sections 2 to 4" and delete "and the criteria for"

Page 5, delete line 13

Page 5, line 14, delete everything before the period and delete everything after "indicators"

Page 5, line 15, delete "the administrative"

Page 5, line 16, delete "procedures act" and insert "sections 15.0412 to 15.0417"

Page 5, line 17, delete "to the commissioner" and insert "on the indicators" and after the second "to" insert "their"

Page 5, after line 17, insert "Final industry economic performance indicators shall be published in the state register and implemented by October 15, 1982."

Page 5, line 18, before "REPORT" insert "MONITOR;" and delete "prepare a report"

Page 5, line 19, delete everything before "*concerning*" and insert "*monitor the economic performance of the industry and shall provide the legislature with a report*"

Page 5, line 20, delete "*fiscal*" and insert "*financial*" and delete "*created by*"

Page 5, line 21, delete everything before "*the*" and insert "*on*"

Page 5, line 22, after "*system*" insert "*caused by sections 2 to 4*"

Page 5, after line 22, insert:

*"Subd. 4. [FACILITY REPORTS.] All health care facilities which commence construction or modification projects not now reviewable pursuant to sections 2 to 4, but which would have been reviewed prior to implementation of this section, shall submit to the commissioner of health at the time of project commencement the following information:*

*(a) an estimate of capital expenditures associated with the construction or modification; and*

*(b) an estimate of expenses and revenues projected to be associated with the construction or modification for a period of five years after initial operation of the project involved.*

#### Sec. 6. [PRICE REPORTING.]

*The commissioner of health shall encourage hospitals and professionals regulated by the health related licensing boards as defined in section 214.01, subdivision 2, or by the commissioner of health pursuant to section 214.13, to continue voluntary efforts to publish prices for procedures and services that are representative of the diagnoses and conditions for which citizens of this state seek treatment. The commissioner shall report to the appropriate committees of the house of representatives and senate on the progress of these voluntary efforts on January 3, 1984. If no progress has been made as of that date, the commissioner shall recommend legislation for voluntary or mandatory collection of this information, and shall include estimates of the cost for the department of health to collect, analyze and publish this information, as well as estimates of the cost to hospitals, regulated providers, and their patients to provide data to the department for this purpose.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 250.05, Subdivision 4, is amended to read:

Subd. 4. The Gillette hospital board, acting through its board of directors, may contract with the governing body and the owners of the Ramsey county hospital and of any other hospital or institution, for the joint maintenance and operation of the Gillette children's hospital in conjunction with existing or contemplated facilities at the Ramsey county hospital. Contracts may include agreements for the joint employment and utilization of personnel, the joint purchase of supplies and equipment, and joint construction, acquisition, or leasing of space for offices, outpatient facilities, operating rooms, and other medical facilities for use in training in the care and treatment of crippled and handicapped children, the operation of a brace shop, and the conduct of patient education programs. No contract shall however, provide for the expenditure of funds for additional patient bed capacity. ~~The Gillette hospital board shall be~~

subject to the certificate of need act provided in sections 145.832 to 145.845. In any case wherein a certificate of need is required, the Gillette hospital board shall, at the time of application, notify the house committee on appropriations and the senate finance committee, whose opinion shall be advisory only.

Sec. 8. Minnesota Statutes 1981 Supplement, Section 447.45, Subdivision 1, is amended to read:

Subdivision 1. Any county, city, or hospital district, except cities of the first class and counties in which are located any cities of the first class, is authorized, in addition to and not in substitution for any other power granted to it by law, to issue revenue bonds by resolution or resolutions of its governing body to finance the acquisition and betterment of hospital, nursing home and related medical facilities, or any of them, including but without limitation the payment of interest during construction and for a reasonable period thereafter and the establishment of reserves for bond payment and for working capital, and, in connection with the acquisition of any existing hospital or nursing home facilities, to retire outstanding indebtedness incurred to finance the construction of the existing facilities. ~~The authority granted by this section shall not apply to any facility to which sections 145.832 to 145.845 apply, unless a certificate of need has been issued.~~

Sec. 9. Minnesota Statutes 1981 Supplement, Section 474.03, is amended to read:

#### 474.03 [POWERS.]

Any municipality or redevelopment agency, in addition to the powers prescribed elsewhere by the laws of this state, shall have the power to:

(1) Acquire, construct, and hold any lands, buildings, easements, water and air rights, improvements to lands and buildings, and capital equipment to be located permanently or used exclusively on a designated site and solid waste disposal and pollution control equipment, and alternative energy equipment and inventory, regardless of where located, which are deemed necessary in connection with a project to be situated within the state, whether wholly or partially within or without the municipality or redevelopment agency, and construct, reconstruct, improve, better, and extend such project;

(2) Issue revenue bonds, in anticipation of the collection of revenues of such project, to finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension thereof and, in the case of an alternative energy project, in addition to the other powers granted by this chapter, to finance the acquisition and leasing or sale of equipment and products to others;

(3) Issue revenue bonds to pay, purchase or discharge all or any part of the outstanding indebtedness of a contracting party engaged primarily in the operation of one or more nonprofit hospitals or nursing homes, theretofore incurred in the acquisition or betterment of its existing hospital or nursing home facilities, including, to the extent deemed necessary by the governing body of the municipality or redevelopment agency, any unpaid interest on such indebtedness accrued or to accrue to the date on which such indebtedness is finally paid; and any premium the governing body of the municipality or redevelopment agency determines to be necessary to be paid to pay, purchase or defease such outstanding indebtedness; if revenue bonds are issued for this

purpose, the refinancing and the existing properties of the contracting party shall be deemed to constitute a project under section 474.02, subdivision 1c. Industrial revenue bonds shall only be available under this provision if the commissioner of securities and real estate has been shown that a reduction in debt service charges to patients and third party payors will occur. All reductions in debt service charges pursuant to this program shall be passed on to patients and third party payors. These industrial revenue bonds may not be used for any purpose not consistent with the provisions of ~~sections 145.832 to 145.845 or~~ chapter 256B;

Nothing in this subdivision is intended to prohibit the use of revenue bond proceeds to pay outstanding indebtedness of a contracting party to the extent now permitted by law;

(4) Enter into a revenue agreement with any person, firm, or public or private corporation or federal or state governmental subdivision or agency in such manner that payments required thereby to be made by the contracting party shall be fixed, and revised from time to time as necessary; so as to produce income and revenue sufficient to provide for the prompt payment of principal of and interest on all bonds issued hereunder when due, and the revenue agreement shall also provide that the contracting party shall be required to pay all expenses of the operation and maintenance of the project including, but without limitation, adequate insurance thereon and insurance against all liability for injury to persons or property arising from the operation thereof, and all taxes and special assessments levied upon or with respect to the project and payable during the term of the revenue agreement, during which term a tax shall be imposed and collected pursuant to the provisions of section 272.01, subdivision 2, for the privilege of using and possessing the project, in the same amount and to the same extent as though the contracting party were the owner of all real and personal property comprising the project;

(5) Pledge and assign to the holders of such bonds or a trustee therefor all or any part of the revenues of one or more projects and define and segregate such revenues or provide for the payment thereof to a trustee, whether or not such trustee is in possession of the project under a mortgage or otherwise;

(6) Mortgage or otherwise encumber such projects in favor of the municipality or redevelopment agency, the holders of such bonds, or a trustee therefor, provided that in creating any such mortgages or encumbrances a municipality or redevelopment agency shall not have the power to obligate itself except with respect to the project;

(7) Make all contracts, execute all instruments, and do all things necessary or convenient in the exercise of the powers herein granted, or in the performance of its covenants or duties, or in order to secure the payment of its bonds; including, but without limitation, a contract entered into prior to the construction of the project authorizing the contracting party, subject to such terms and conditions as the municipality or redevelopment agency shall find necessary or desirable and proper, to provide for the construction, acquisition, and installation of the buildings, improvements, and equipment to be included in the project by any means available to the contracting party and in the manner determined by the contracting party and without advertisement for bids as may be required for the construction or acquisition of other municipal facilities;

(8) Enter into and perform such contracts and agreements with other munic-

ipalities, political subdivisions, and state agencies, authorities, and institutions as the respective governing bodies of the same may deem proper and feasible for or concerning the planning, construction, lease, purchase, mortgaging or other acquisition, and the financing of a project, and the maintenance thereof, including an agreement whereby one municipality issues its revenue bonds in behalf of one or more other municipalities pursuant to revenue agreements with the same or different contracting parties; which contracts and agreements may establish a board, commission, or such other body as may be deemed proper for the supervision and general management of the facilities of the project; provided, no municipality or redevelopment agency shall enter into or perform any contract or agreement with any school district under which the municipality or redevelopment agency issues its revenue bonds or otherwise provides for the construction of school facilities and the school leases or otherwise acquires these facilities;

(9) Accept from any authorized agency of the federal government loans or grants for the planning, construction, acquisition, leasing, purchase, or other provision of any project, and enter into agreements with such agency respecting such loans or grants;

(10) Sell and convey all properties acquired in connection with such projects, including without limitation the sale and conveyance thereof subject to such mortgage as herein provided, and the sale and conveyance thereof under an option granted to the lessee of the project, for such price, and at such time as the governing body of the municipality or redevelopment agency may determine, provided, however, that no sale or conveyance of such properties shall ever be made in such manner as to impair the rights or interests of the holder, or holders, of any bonds issued under the authority of this chapter;

(11) Issue revenue bonds to refund, in whole or in part, bonds previously issued by such municipality or redevelopment agency under authority of this chapter;

(12) If so provided in the revenue agreement, terminate the agreement and re-enter or repossess the project upon the default of the contracting party, and operate, lease, or sell the project in such manner as may be authorized or required by the provisions of the revenue agreement or of the resolution or indenture securing the bonds issued for the project; any revenue agreement which includes provision for a conveyance of real estate to the contracting party may be terminated in accordance with the revenue agreement, notwithstanding that such revenue agreement may constitute an equitable mortgage provided that no municipality or redevelopment agency shall have power otherwise to operate any project referred to in this chapter as a business or in any manner whatsoever, and nothing herein authorizes any municipality or redevelopment agency to expend any funds on any project herein described, other than the revenues of such projects, or the proceeds of revenue bonds and notes issued hereunder, or other funds granted to the municipality or redevelopment agency for the purposes herein contemplated, except as may be otherwise permitted by law and except to enforce any right or remedy under any revenue agreement or related agreement for the benefit of the bondholders or for the protection of any security given in connection with a revenue agreement, provided that the public cost of redevelopment of land paid by a city or its redevelopment agency shall not be deemed part of the cost of any project situated on such land;

(13) Invest or deposit, or authorize a trustee to invest or deposit, any money on hand in funds or accounts established in connection with a project or payment of bonds issued therefor, to the extent they are not presently needed for the purposes for which such funds or accounts were created, in accordance with section 471.56, as amended; and

(14) Waive or require the furnishing of a contractors payment and performance bond of the kind described in section 574.26 and if such bond shall be required, then the provisions of chapter 514 relating to liens for labor and materials, shall not be applicable in respect of any work done or labor or materials supplied for the project, and if such bond be waived then the said provisions of chapter 514 shall apply in respect of work done or labor or materials supplied for the project."

Page 5, line 23, after "PLANNING" insert "REPORT"

Page 5, line 24, after "shall" insert "*address the discontinuance of health systems agencies due to the elimination of federal funds and*"

Page 5, line 25, delete "*January 1*" and insert "*January 2*"

Page 5, line 26, delete everything after "*concerning*"

Page 5, delete lines 27 to 29 and insert "*alternative organizational arrangements and funding sources which could maintain statewide or statewide and regional participation in a state health planning system.*"

Page 6, line 4, delete "5, and 6" and insert "2 to 5, 9 and 10"

Page 6, line 5, delete everything after the first period and insert "*Sections 6 to 8 and 11 are effective March 15, 1983.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "encouraging price disclosure;"

Page 1, line 8, after the semicolon, insert "Minnesota Statutes 1981 Supplement, Sections 250.05, Subdivision 4; 447.45, Subdivision 1; 474.03;"

Page 1, line 10, delete "Section" and insert "Sections" and before the period, insert "; 145.834; and 145.845"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Humphrey from the Committee on Energy and Housing, to which were referred the following appointments as reported in the Journal for February 15, 1982:

#### ENERGY POLICY DEVELOPMENT COUNCIL

Vernon D. Albertson  
 Terry M. Anderson  
 Delbert F. Anderson  
 James A. Boerboom  
 Roland W. Comstock  
 Pat Enz  
 Brian B. Ettesvold



Todd L. Parchman  
Phillip M. Parsons  
Douglas C. Pratt  
Raymond P. Ring  
Eugene A. Schroedermeier  
J. Robert Snyder  
Joseph A. Vumbaco  
Mary Williams

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.

Mr. Humphrey from the Committee on Energy and Housing, to which were referred the following appointments as reported in the Journal for February 8, 1982:

#### **MINNESOTA HOUSING FINANCE AGENCY**

Demetrius G. Jelatis  
J. Mark Wedel

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.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which were referred the following appointments as reported in the Journal for February 15, 1982:

#### **GILLETTE HOSPITAL BOARD**

Barbara H. Flanigan  
Dr. James House  
Geoffrey L. Kaufmann

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.

Mr. Schmitz from the Committee on Veterans' Affairs, to which was referred the following appointment as reported in the Journal for March 2, 1982:

#### **DEPARTMENT OF VETERANS' AFFAIRS COMMISSIONER**

James H. Main

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.

Mr. Chmielewski from the Committee on Employment, to which was re-

ferred the following appointment as reported in the Journal for February 4, 1982:

**DEPARTMENT OF LABOR AND INDUSTRY  
COMMISSIONER**

Russell Bruce Swanson

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.

Mr. Chmielewski from the Committee on Employment, to which was referred the following appointment as reported in the Journal for February 15, 1982:

**WORKERS' COMPENSATION COURT OF APPEALS**

Leigh J. Gard

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.

Mr. Moe, R. D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1455 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F.No.	S.F.No.
1455	1411				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1455 be amended as follows:

Page 1, line 19, strike “, on forms” and insert “*by completing the form*”

Page 1, line 20, before the period insert “*and paying the transfer fee*”

Page 1, line 23, reinstate “permit”

Page 1, line 24, reinstate “provisionally granting such transfer” and delete “*temporary license*”

And when so amended H.F. No. 1455 will be identical to S.F. No. 1411, and further recommends that H.F. No. 1455 be given its second reading and substituted for S.F. No. 1411, 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. 1831 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.
1831	1834				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1831 be amended as follows:

Page 2, line 7, before the period insert “; and in the case of employment, the employer knows or should know of the existence of the harrassment and fails to take timely and appropriate action”

And when so amended H.F. No. 1831 will be identical to S.F. No. 1834, and further recommends that H.F. No. 1831 be given its second reading and substituted for S.F. No. 1834, 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. 1817 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.
1817	1700				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1817 be amended as follows:

Page 2, line 3, delete “and” and insert a period

Page 2, line 4, delete “said” and insert “that”

Page 2, line 6, after “statutes” insert a comma

Page 2, line 8, after “Statutes” insert a comma

Page 2, line 25, strike “he” and insert “the commissioner”

Page 2, line 28, strike “TRANSFERENCE” and insert “DISPOSITION”

Page 2, line 29, before “determine” insert “administer all aspects of the disposition of property declared to be surplus under this section. The commissioner shall first”

Page 2, line 32, delete “and” and insert “. The commissioner”

Page 2, line 32, after “may” insert “then”

Page 2, line 33, after “the” insert “surplus” and after “agency” strike the comma

Page 2, line 34, strike “government” and insert “this state”

Page 2, line 34, after "States" insert "government"

Page 2, line 35, strike "therefor" and strike "the" and insert "an"

Page 2, line 35, strike "so determined" and insert "equal to the value of the surplus property"

Page 3, line 1, after "may" insert "also" and delete "any" and insert "the surplus"

Page 3, line 1, delete everything after "property"

Page 3, delete lines 2 to 4, and insert "under the competitive bidding provisions of chapter 16 if no state agency or political subdivision of this state offers to purchase the surplus property for its determined value."

Page 3, line 6, before "Money" insert "The commissioner shall deposit all" and strike "shall be deposited"

Page 3, line 7, strike "and" and insert "to be"

Page 3, after line 8, insert:

"Sec. 4. Minnesota Statutes 1980, Section 169.09, Subdivision 13, is amended to read:

Subd. 13. [ACCIDENT REPORTS CONFIDENTIAL.] All written reports and supplemental reports required *under this section* to be provided to the department of public safety ~~by this section~~ shall be without prejudice to the individual so reporting and shall be for the confidential use of the department of public safety; ~~the Minnesota department of transportation,~~ and other appropriate state, federal, county and municipal governmental agencies for accident ~~prevention~~ analysis purposes, except that the department of public safety or any law enforcement department of any municipality or county in this state shall, upon written request of any person involved in an accident or upon written request of the representative of his or her estate, his surviving spouse, or one or more of his surviving next of kin, or a trustee appointed pursuant to section 573.02, disclose to the requester, his or her legal counsel or a representative of his or her insurer any information contained therein except the parties' version of the accident as set out in the written report filed by the parties or may disclose identity of a person involved in an accident when the identity is not otherwise known or when the person denies his presence at the accident. No report shall be used as evidence in any trial, civil or criminal, arising out of an accident, except that the department of public safety shall furnish upon the demand of any person who has, or claims to have, made a report, or, upon demand of any court, a certificate showing that a specified accident report has or has not been made to the department of public safety solely to prove a compliance or a failure to comply with the requirements that the report be made to the department of public safety. Disclosing any information contained in any accident report, except as provided herein, is unlawful and a misdemeanor.

Nothing herein shall be construed to prevent any person who has made a report pursuant to this chapter from testifying in any trial, civil or criminal, arising out of an accident, as to facts within his the person's knowledge. It is intended by this subdivision to render privileged the reports required but it is not intended to prohibit proof of the facts to which the reports relate. Legally

qualified newspaper publications and licensed radio and television stations shall upon request to a law enforcement agency be given an oral statement covering only the time and place of the accident, the names and addresses of the parties involved, and a general statement as to how the accident happened without attempting to fix liability upon anyone, but said legally qualified newspaper publications and licensed radio and television stations shall not be given access to the hereinbefore mentioned confidential reports, nor shall any such statements or information so orally given be used as evidence in any court proceeding, but shall merely be used for the purpose of a proper publication or broadcast of the news.

This subdivision shall supersede other state law relating to data privacy or confidentiality with regard to accident reports. When these reports are released for accident ~~prevention~~ analysis purposes the identity of any involved person shall not be revealed. Data contained in these reports shall only be used for accident ~~prevention~~ analysis purposes, except as otherwise provided by this subdivision. Accident reports and data contained therein which may be in the possession or control of departments or agencies other than the department of public safety shall not be discoverable under any provision of law or rule of court.

*The department may charge authorized persons a \$5 fee for a copy of an accident report.*

Sec. 5. Minnesota Statutes 1980, Section 169.80, Subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] It is a misdemeanor for a person to drive or move, or for the owner to cause or knowingly permit to be driven or moved, on a highway a vehicle or vehicles of a size or weight exceeding the limitations stated in sections 169.80 to 169.88, or otherwise in violation of sections 169.80 to 169.88, and the maximum size and weight of vehicles as prescribed in sections 169.80 to 169.88 shall be lawful throughout this state, and local authorities shall have no power or authority to alter these limitations except as express authority may be granted in sections 169.80 to 169.88.

When all the axles of a vehicle or combination of vehicles are weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight of the vehicle or combination of vehicles so weighed.

When each of the axles of any group that contains two or more consecutive axles of a vehicle or combination of vehicles have been weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight on the group of axles so weighed.

When, in any group of three or more consecutive axles of a vehicle or combination of vehicles any axles have been weighed separately and two or more axles consecutive to each other in the group have been weighed together, the sum of the weights of the axles weighed separately and the axles weighed together shall be evidence of the total gross weight of the group of axles so weighed.

The provisions of sections 169.80 to 169.88 governing size, weight, and load shall not apply to fire apparatus, or to implements of husbandry temporarily moved upon a highway, or to loads of loose hay or corn stalks if transported by a horse-drawn vehicle or drawn by a farm tractor, or to a vehicle

operated under the terms of a special permit issued as provided by law. For purposes of sections 169.80 to 169.88, a specialized vehicle resembling a low-slung two wheel trailer having a short bed or platform shall be deemed to be an implement of husbandry when the vehicle is used exclusively to transport implements of husbandry; and the term "temporarily moved upon a highway" shall mean a movement not to exceed 50 miles.

In addition to any other special permits authorized, an annual permit may be issued authorizing movements *on interstate highways and movements* exceeding 50 miles *on non-interstate highways* of oversize vehicles and loads when the vehicles or combination of vehicles are used exclusively to transport implements of husbandry. Annual permits are issued in accordance with the applicable provisions of section 169.86, except that the transporting vehicle or combination of vehicles may be moved at the discretion of the permittee without prior route approval from the permit issuing office of the department of transportation if:

(a) The overall width of the transporting vehicle, including load, does not exceed 12 feet;

(b) The transporting vehicle otherwise complies with equipment requirements and length, height and weight limitations prescribed by this chapter;

(c) The movement is made after the hour of sunrise and not later than 30 minutes after sunset;

(d) The movement is not made when visibility is impaired by weather, fog or other conditions rendering persons and vehicles not clearly visible at a distance of 500 feet, or on Sundays *after twelve o'clock noon*, and holidays;

(e) The transporting vehicle shall display at the front and rear end of the load or vehicle a pair of flashing amber lights, as provided in section 169.59, subdivision 4, *whenever the overall width of the vehicle exceeds ten feet, six inches*; and

(f) The movement, if made on a trunk highway, is made on a trunk highway with a surfaced roadway width of not less than 24 feet.

The fee for an annual permit is \$24."

Page 4, line 23, reinstate "Upon" and reinstate "of the plan" and insert "completion"

Page 4, line 24, reinstate the stricken language

Page 5, line 11, strike "clause (c)" and insert "section 10"

Page 6, line 1, strike everything after the period

Page 6, strike lines 2 to 8

Page 6, line 9, strike "are to be used or shipped"

Page 6, line 17, strike the period

Page 6, line 22, delete ", concrete"

Page 6, line 23, delete "ready mix"

Page 7, after line 24, insert:

"(m) Any manufacturer, producer, dealer or distributor who, in the pursuit

of business, owns and uses trucks for the purpose of transporting that person's own products, except as otherwise provided in section 10.

(n) Any person while engaged exclusively in the transportation of pulpwood, cordwood, mining timber, poles, posts, decorator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped, except as otherwise provided in section 10."

Page 7, delete lines 26 to 36

Page 8, delete line 1 and insert:

"The exempt carriers set forth in section 221.011, subdivision 22, clauses (m) and (n), are subject to the requirements of section 221.031 insofar as the provisions of that section apply to driver qualifications, maximum hours of service for drivers, and safety of operations and equipment. This section is applicable only to transporting vehicles licensed and registered for a gross weight of more than 10,000 pounds."

Page 8, line 17, delete "\$150" and insert "\$300"

Page 8, line 19, delete "\$100" and insert "\$300"

Page 8, line 24, delete "\$50" and insert "\$20"

Page 8, line 28, delete "\$200" and insert "\$100"

Page 10, line 1, delete "pursuant to" and insert "under"

Page 10, line 5, strike "He" and insert "the commissioner"

Page 10, line 8, strike the comma

Page 10, line 17, strike "He" and insert "The commissioner"

Page 10, line 19, delete "He" and insert "The commissioner"

Page 10, line 22, strike "He" and insert "The commissioner"

Page 10, line 23, strike "he" and insert "the commissioner"

Page 10, line 24, strike "and" and insert ". The commissioner shall also"

Page 10, line 26, strike "him" and insert "the commissioner" and strike ", and" and insert ". The commissioner"

Page 10, line 27, after "report" insert "the following" and after "agency" insert a semicolon

Page 10, line 27, before "all" insert:

"(1)"

Page 10, line 28, strike "him" and insert "the commissioner" and strike "and" and insert a semicolon

Page 10, line 29, before "all" insert:

"(2)"

Page 10, line 30, strike the comma and insert a semicolon

Page 10, line 30, before "all" insert:

“(3)”

Page 10, line 30, strike “he” and insert “*the commissioner*”

Page 11, line 1, strike “Such” and insert “*The*”

Page 11, delete lines 16 to 18, and insert:

“Sec. 14. [PROHIBITION ON ESTABLISHMENT OF NEW DIVISIONS IN DEPARTMENT OF TRANSPORTATION.]

*Notwithstanding any other law to the contrary, the commissioner of transportation shall not establish any new divisions in the department of transportation.*”

Page 11, line 20, delete “1, 2, 3, 5, 6, 7, 8, 9 and 12” and insert “1 to 14”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon insert “making certain accident reports available to governmental agencies for specified purposes and authorizing a fee for copies of these accident reports; governing the movement of certain vehicles on certain highways; expanding the definition of advertising device;”

Page 1, line 14, after “161.41;” insert “169.09, Subdivision 13; 169.80, Subdivision 1;”

Page 1, line 19, delete everything after “221”

Page 1, line 20, delete everything before the period

And when so amended H.F. No. 1817 will be identical to S.F. No. 1700, and further recommends that H.F. No. 1817 be given its second reading and substituted for S.F. No. 1700, 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. 1652 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.
1652	1577				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1652 be amended as follows:

Page 1, line 12, delete “or” and insert “to”

Page 1, delete line 13 and insert “*any holder of a current license*”

Page 1, line 14, delete “*licenses*”

Page 1, line 14, delete “*are established*” and insert “*establishes*”



Page 1, line 16, delete everything after "physician" and insert "that the license holder is"

Page 1, delete lines 17 through 20 and insert "unable to hunt in any other manner because of a permanent physical disability. A crossbow used in hunting under a permit issued pursuant to this subdivision must:"

And when so amended H.F. No. 1652 will be identical to S.F. No. 1577, and further recommends that H.F. No. 1652 be given its second reading and substituted for S.F. No. 1577, 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. 1803 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.
1803	1600				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1803 be amended as follows:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1980, Section 4.12, is amended by adding a subdivision to read:

*Subd. 9. [JUVENILE JUSTICE.] The governor shall designate the department of energy, planning, and development as the sole agency responsible for supervising the preparation and administration of the state plan for juvenile justice required by the Juvenile Justice and Delinquency Prevention Act of 1974, as amended.*

*The governor shall designate the Juvenile Justice Advisory Committee as the supervisory board for the department of energy, planning and development with respect to preparation and administration of the state plan and award of grants.*

*The governor shall appoint members to the Juvenile Justice Advisory Committee in accordance with the membership requirements of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended."*

Page 1, line 20, strike "and such facilities" and insert ", which" and strike "such persons so"

Page 1, line 21, strike "committed to."

Page 2, line 17, after "foster" insert "care"

Page 2, line 18, strike "such" and insert "the"

Page 2, line 30, delete "child" and insert "person"

Page 3, line 7, strike "and cause them to be instructed in branches of"

Page 3, line 8, strike "useful knowledge, as may be" and insert "may provide education"

Page 3, delete section 4

Pages 3 and 4, delete section 5

Page 4, delete sections 6, 7, and 8

Page 4, line 30, delete "Sections 1 to 8 are" and insert "Section 1 is"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "designating a juvenile justice agency;"

Page 1, line 6, delete "and"

Page 1, line 7, delete "subdivisions" and insert "a subdivision"

And when so amended H.F. No. 1803 will be identical to S.F. No. 1600, and further recommends that H.F. No. 1803 be given its second reading and substituted for S.F. No. 1600, 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. 773 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.
773	648				

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. 1611, 1234, 1632, 1418, 1941, 2053, 2054, 1714, 2123, 1228, 1596 and 1794 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 2116, 1573, 1484, 1699, 1603, 1092, 1455, 1831, 1817, 1652, 1803 and 773 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Dieterich moved that the name of Mr. Davies be added as a co-author to

S.F. No. 1175. The motion prevailed.

Mr. Merriam moved that the name of Mr. Benson be added as a co-author to S.F. No. 2055. The motion prevailed.

Mr. Sieloff moved that the name of Mr. Penny be added as a co-author to S.F. No. 2188. The motion prevailed.

Mr. Sieloff moved that the name of Mr. Penny be added as a co-author to S.F. No. 2189. The motion prevailed.

Mr. Pehler moved that the name of Ms. Berglin be added as a co-author to S.F. No. 1541. The motion prevailed.

Ms. Berglin moved that the name of Mr. Moe, D.M. be added as a co-author to S.F. No. 1957. The motion prevailed.

Mrs. Stokowski moved that her name be stricken as a co-author to S.F. No. 1579. The motion prevailed.

Mr. Hughes moved that H.F. No. 1819 be withdrawn from the Committee on Education and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 1858. The motion prevailed.

### SUSPENSION OF RULES

Mr. Moe, R.D. moved to take up the Senate 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. 1715: A bill for an act relating to the city of Minneapolis; providing duties of the civil service commission; providing for positions in the unclassified service; permitting the city to change the name of the housing and redevelopment authority; permitting the transfer of certain employees to employment of the housing and redevelopment authority; establishing terms for transfer of the employees; permitting certain employees to purchase service credit from the Minneapolis employees retirement fund; amending Laws 1969, Chapter 937, Section 1, Subdivision 1, as amended, and by adding subdivisions; and Laws 1980, Chapter 595, Section 2, Subdivision 1 and Section 3, 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 56 and nays 8, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Peterson, D.L.	Spear
Belanger	Engler	Lantry	Peterson, R.W.	Stern
Benson	Frederick	Lessard	Petty	Stumpf
Berg	Frederickson	Luther	Pillsbury	Taylor
Berglin	Hanson	Menning	Purfeerst	Tennessee
Bernhagen	Hughes	Merriam	Ramstad	Waldorf
Bertram	Humphrey	Moe, D. M.	Renneke	Wegener
Brataas	Johnson	Moe, R. D.	Rued	Willet
Dahl	Kamrath	Nelson	Schmitz	
Davies	Knoll	Pehler	Setzepfandt	
Davis	Knutson	Penny	Sieloff	
Dicklich	Kronebusch	Peterson, C.C.	Sikorski	

Those who voted in the negative were:

Bang Chmielewski	Frank Kroening	Olhoft Solon	Stokowski	Vega
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So the bill passed and its title was agreed to.

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.

Was read the third time 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	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	Hanson	Luther	Pillsbury	Stumpf
Bernhagen	Hughes	Menning	Purfeerst	Taylor
Bertram	Humphrey	Merriam	Ramstad	Tennessee
Brataas	Johnson	Moe, D. M.	Renneke	Ulland
Chmielewski	Kamrath	Moe, R. D.	Rued	Vega
Dahl	Knoll	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sieloff	Willet

So the bill passed and its title was agreed to.

H.F. No. 492: A bill for an act relating to crimes; authorizing counties to expend money for the purpose of investigating criminal activity relating to selling or receiving stolen property; proposing new law coded in Minnesota Statutes, Chapter 299C.

Was read the third time 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	Sieloff
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	Kamrath	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.

S.F. No. 1670: A bill for an act relating to guardianship and conserva-

torship; providing for delegation of certain powers by parents or guardians; applying the rules of evidence to certain proceedings; providing administrative procedures for the appointment of guardians or conservators for minors; providing a procedure for discharge of guardians or conservators in certain cases; clarifying certain provisions; amending Minnesota Statutes 1980, Sections 525.6165; and 525.618, by adding subdivisions; Minnesota Statutes 1981 Supplement, Sections 525.55, Subdivisions 1 and 3; 525.551, Subdivision 3; 525.5515, Subdivision 2; and 525.6196; proposing new law coded in Minnesota Statutes, Chapters 524 and 525; repealing Minnesota Statutes 1981 Supplement, Section 525.5515, 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 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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spears	

So the bill passed and its title was agreed to.

H.F. No. 1120: A bill for an act relating to public safety; authorizing the sale to and use by engineers of fireworks; amending Minnesota Statutes 1980, Section 624.21.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spears	

So the bill passed and its title was agreed to.

H.F. No. 1713: A bill for an act relating to St. Louis county; providing for the calculation of vacation and sick leave allowances of certain employees.

Was read the third time 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	Dieterich	Kronebusch	Penny	Sikorski
Bang	Engler	Langseth	Peterson, C. C.	Solon
Belanger	Frank	Lantry	Peterson, D. L.	Spear
Benson	Frederick	Lessard	Peterson, R. W.	Stern
Berg	Frederickson	Lindgren	Petty	Stokowski
Berglin	Hanson	Luther	Pillsbury	Stumpf
Bernhagen	Hughes	Menning	Purfeerst	Taylor
Bertram	Humphrey	Merriam	Ramstad	Tennessee
Chmielewski	Johnson	Moe, D. M.	Renneke	Ulland
Dahl	Kamrath	Moe, R. D.	Rued	Vega
Davies	Knoll	Nelson	Schmitz	Waldorf
Davis	Knutson	Olhoft	Setzepfandt	Wegener
Dicklich	Kroening	Pehler	Sieloff	Willet

So the bill passed and its title was agreed to.

S.F. No. 63: A bill for an act relating to retirement; specifying eligibility for early retirement health and welfare insurance coverage for certain employees of the city of St. Paul.

Was read the third time 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	Dieterich	Kronebusch	Penny	Sikorski
Bang	Engler	Langseth	Peterson, C. C.	Solon
Belanger	Frank	Lantry	Peterson, D. L.	Stern
Benson	Frederick	Lessard	Peterson, R. W.	Stokowski
Berg	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	Kamrath	Moe, R. D.	Rued	Waldorf
Davies	Knoll	Nelson	Schmitz	Wegener
Davis	Knutson	Olhoft	Setzepfandt	Willet
Dicklich	Kroening	Pehler	Sieloff	

Mr. Spear voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 1726: A bill for an act relating to education; removing the commissioner of education from the state university board and as secretary of the board; allowing community college and state university teachers to accrue seniority credit during extended leaves of absence; amending Minnesota Statutes 1980, Sections 136.12, Subdivision 1; 136.13; and 136.88, 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 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	Kamrath	Nelson	Setzpfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

H.F. No. 1622: A bill for an act relating to state lands; providing for the transfer of ownership to meet donors' intent.

Was read the third time 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	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	Kamrath	Nelson	Setzpfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

H.F. No. 1712: A bill for an act relating to public welfare; amending the community social services act; removing certain requirements related to biennial plans and the sliding fee for child care; providing for identification of certain rules; exempting the commissioner from certain rulemaking procedures; providing for notice and comment procedures with respect to proposals to amend or repeal certain rules; providing for allocation of funds to counties; amending Minnesota Statutes 1980, Section 256E.09, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 245.84, Subdivision 2; 256E.03, Subdivision 2; 256E.05, Subdivision 3; and 256E.07, Subdivision 3; repealing Minnesota Statutes 1981 Supplement, Section 256E.07, 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 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	Kamrath	Nelson	Setzpfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

H.F. No. 1955: A bill for an act relating to the city of Waconia; authorizing the sale of certain revenue bonds at a price less than par value and authorizing the maturity schedule to be determined by municipal resolution.

Was read the third time 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 1, 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	Kamrath	Moe, R. D.	Rued	Waldorf
Davies	Knoll	Nelson	Schmitz	Wegener
Davis	Knutson	Olhoft	Sieloff	Willet

Mr. Setzpfandt voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1842: A bill for an act relating to transportation; establishing a highway maintenance cost containment council.

Was read the third time 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	Dicklich	Kronebusch	Pehler	Sieloff
Bang	Dieterich	Langseth	Penny	Sikorski
Belanger	Engler	Lantry	Peterson, C. C.	Solon
Berg	Frank	Lessard	Peterson, D. L.	Spear
Berglin	Frederick	Lindgren	Peterson, R. W.	Stern
Bernhagen	Frederickson	Luther	Petty	Stokowski
Brataas	Hanson	Menning	Purfeerst	Taylor
Chmielewski	Humphrey	Merriam	Ramstad	Tennessen
Dahl	Johnson	Moe, R. D.	Renneke	Vega
Davies	Knoll	Nelson	Schmitz	Wegener
Davis	Knutson	Olhoft	Setzepfandt	Willet

Those who voted in the negative were:

Benson	Kamrath	Moe, D. M.	Stumpf	Waldorf
Bertram	Kroening	Pillsbury	Ulland	

So the bill passed and its title was agreed to.

S.F. No. 1780: A bill for an act relating to highway traffic regulations; governing the movement of certain vehicles on certain highways; allowing the use of certain combinations of vehicles; allowing certain axle weight combinations; establishing allowable axle weight combinations; establishing allowable axle weights on restricted routes; modifying the distribution of receipts collected as fines; amending Minnesota Statutes 1980, Section 169.80, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 169.81, Subdivision 3; 169.825, Subdivisions 8, 10, and 12; 299D.03, Subdivision 5; repealing Minnesota Statutes 1981 Supplement, Section 169.861.

Was read the third time 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 1, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Pehler	Sieloff
Bang	Dieterich	Kronebusch	Penny	Sikorski
Belanger	Engler	Langseth	Peterson, C. C.	Solon
Benson	Frank	Lantry	Peterson, D. L.	Spear
Berg	Frederick	Lessard	Peterson, R. W.	Stern
Berglin	Frederickson	Lindgren	Petty	Stokowski
Bernhagen	Hanson	Luther	Pillsbury	Stumpf
Bertram	Hughes	Menning	Purfeerst	Taylor
Brataas	Humphrey	Merriam	Ramstad	Ulland
Chmielewski	Johnson	Moe, D. M.	Renneke	Vega
Dahl	Kamrath	Moe, R. D.	Rued	Waldorf
Davies	Knoll	Nelson	Schmitz	Wegener
Davis	Knutson	Olhoft	Setzepfandt	Willet

Mr. Tennessen voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1207: A bill for an act relating to intoxicating liquor; providing an exemption from the multiple interest limitation on off-sale licenses for pre-existing franchise agreements; authorizing the issuance of two additional wine licenses outside the liquor patrol limit of the city of St. Paul; amending Minnesota Statutes 1980, Section 340.13, 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 45 and nays 21, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Penny	Stern
Belanger	Engler	Lantry	Petty	Stumpf
Berg	Frank	Lessard	Pillsbury	Taylor
Berglin	Hanson	Lindgren	Purfeerst	Tennessee
Bertram	Hughes	Luther	Schmitz	Ulland
Brataas	Humphrey	Moe, D. M.	Setzepfandt	Vega
Dahl	Johnson	Moe, R. D.	Sieloff	Waldorf
Davis	Knoll	Nelson	Sikorski	Wegener
Dicklich	Kronebusch	Pehler	Spear	Willet

Those who voted in the negative were:

Bang	Frederick	Menning	Peterson, R. W.	Stokowski
Benson	Frederickson	Merriam	Ramstad	
Bernhagen	Kamrath	Olhoft	Renneke	
Chmielewski	Knutson	Peterson, C. C.	Rued	
Davies	Kroening	Peterson, D. L.	Solon	

So the bill passed and its title was agreed to.

H.F. No. 1920: A bill for an act relating to economic development; excepting motor carriers from the definition of "business license;" amending Minnesota Statutes 1981 Supplement, Section 362.452, Subdivision 2a.

Was read the third time 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	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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1706: A bill for an act relating to insurance; authorizing separate accounts for certain pension plans; amending Minnesota Statutes 1981 Supplement, Section 61A.282, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 61A.

Was read the third time 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	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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1522: A bill for an act relating to local government; changing the filing of the bond of the town clerk and the town treasurer; permitting towns to self insure in the same way as other political subdivisions; authorizing certain towns to exercise special powers by affirmative vote of the town electors; requiring notice; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; authorizing governmental units to provide services for other governmental units; amending Minnesota Statutes 1980, Sections 367.10; 367.15; 368.01; Subdivisions 1, 30, and by adding subdivisions; 462.352, Subdivision 2; 462.357, Subdivision 6; 462.358, Subdivision 1a; 462.36, Subdivision 1; 471.59, by adding a subdivision; and 471.98, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 462.

Was read the third time 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:

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	Hughes	Menning	Purfeerst	Taylor
Bertram	Humphrey	Merriam	Ramstad	Tennessen
Brataas	Johnson	Moe, D. M.	Renneke	Ulland
Chmielewski	Kamrath	Moe, R. D.	Rued	Vega
Dahl	Knoll	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sieloff	Willet
Dicklich	Kronebusch	Penny	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1740: A bill for an act relating to real estate; providing an exception for certain restrictions based on familial status in cooperative housing; permitting administrators of rental housing to petition the court for certain powers; clarifying the court's discretion to make certain orders; amending Minnesota Statutes 1980, Sections 363.01, by adding a subdivision; 363.02, Subdivision 2; 566.25; and 566.29, 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 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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

H.F. No. 1366: 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.

Was read the third time 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	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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

H.F. No. 2175: A bill for an act relating to Minnesota Statutes, correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating certain redundant, conflicting and superseded provisions; authorizing the revisor of statutes to make necessary reference changes if the administrative procedure act is recompiled as a separate chapter; amending Minnesota Statutes 1980, Sections 60C.02, Subdivision 1; 62B.04, Subdivision 1; 92.03, Subdivision 4; 106.011, Subdivision 20; 106.021, Subdivision 2; 106.081, Subdivision 1; 106.091, Subdivision 2; 120.17, Subdivisions 4a and 5; 123.21; 123.78, Subdivision 1; 123.932, Subdivision 1a; 125.12, Subdivision 3; 129.121, Subdivision 1; 136.015; 145.833, Subdivisions 9, 10 and 11;

160.05, Subdivision 1; 175.35; 177.23, Subdivisions 4, 7 and 10; 177.27; 177.28; 177.29; 177.30; 177.31; 177.32; 177.33; 177.34; 177.35; 214.14, Subdivision 1; 273.11, Subdivision 5; 282.01, Subdivision 1; 290.41, Subdivision 3; 458.192, Subdivision 15; 462.415, Subdivisions 4 and 6; 462.421, Subdivisions 1, 2 and 20; 462.425, Subdivision 7; 462.426, Subdivision 1; 462.427, Subdivision 2; 462.428, Subdivision 3; 462.445, Subdivisions 1, 4 and 5; 462.451, Subdivision 2; 462.461, Subdivisions 1 and 2; 462.485; 462.511; 462.541, Subdivision 2; 462.545, Subdivisions 1, 2, 3 and 6; 462.555; 462.561; 462.571; 462.581; 462.591, Subdivision 1; 462.621, Subdivisions 1 and 3; 462.631, Subdivision 1; 462.635; 462.645, Subdivisions 1, 5 and 7; 462.665; 462.671; 462.701; 462.705; 462.712; 462.713; 473.195, Subdivision 1; 504.24, Subdivision 2; Chapter 111, by adding a section; Minnesota Statutes 1981 Supplement, Sections 11A.18, Subdivision 9; 43A.08, Subdivision 2; 43A.27, Subdivision 2; 47.20, Subdivisions 4a and 4b; 60A.11, Subdivisions 9 and 10; 69.011, Subdivision 2; 69.031, Subdivision 5; 97.488, by adding a subdivision; 116H.129, Subdivisions 1, 5 and 6; 156A.02, Subdivision 6; 168.013, Subdivision 1c; 169.825, Subdivision 10; 171.36; 176.306, Subdivision 2; 204B.31; 222.63, Subdivision 4; 273.11, Subdivision 1; 290.077, Subdivision 4; 290.09, Subdivision 15; 299F.011, Subdivision 1; 353.01, Subdivisions 2a and 6; 355.11, Subdivision 5; 414.0325, Subdivision 5; 462.601; 462.605; 514.011, Subdivision 4a; 525.551, Subdivision 5; 525.6198; and Laws 1981, Chapter 224, Section 73; repealing Minnesota Statutes 1980, Section 60A.11, Subdivisions 5a and 5b; Minnesota Statutes 1981 Supplement, Section 290.971, Subdivision 7; Laws 1980, Chapter 587, Article I, Sections 31, 32, 33, 34, 35, 36, 37, 38 and 39; Laws 1981, Chapters 31, Section 7; 60, Section 14; 137, Section 3; 158; 178, Section 33; 205, Section 1; 224, Section 92; 255, Sections 1, 3 and 4; 356, Sections 99, 189, 190, 191, 210 and 212; and 357, Section 28.

Was read the third time 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	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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoff	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1950: A bill for an act relating to corporations; correcting certain errors; removing certain deficiencies and ambiguities; and amending Minnesota Statutes 1981 Supplement, Sections 300.083, Subdivision 2; 300.49, Subdivision 1; 302A.011, Subdivisions 4, 10, 17, 21, 25, 29, 30, and 31;

302A.021, Subdivisions 2, 4, 7, and 8; 302A.111, Subdivisions 2, 3, and 4; 302A.115, Subdivision 2; 302A.123; 302A.131; 302A.135, Subdivisions 2 and 4; 302A.181, Subdivision 3; 302A.201, Subdivision 2; 302A.207; 302A.235; 302A.239, Subdivision 1; 302A.241, Subdivisions 1 and 2; 302A.243; 302A.251, Subdivisions 2 and 3; 302A.255, Subdivision 1; 302A.401, Subdivision 2; 302A.403, Subdivisions 2 and 4; 302A.405, Subdivision 1; 302A.413, Subdivision 4; 302A.431, Subdivision 2; 302A.433, Subdivisions 1 and 2; 302A.435, Subdivision 1; 302A.437, Subdivision 1; 302A.443; 302A.445, Subdivisions 1 and 6; 302A.455; 302A.457, Subdivisions 1 and 2; 302A.461, Subdivision 2; 302A.463; 302A.467; 302A.521, Subdivision 2; 302A.551, Subdivisions 1 and 2; 302A.559, Subdivision 1; 302A.613, Subdivisions 2 and 3; 302A.661, Subdivision 2; 302A.721, Subdivision 2; 302A.723, Subdivision 1; 302A.727, Subdivision 2; 302A.729, Subdivision 1; 302A.731, Subdivision 2; 302A.733, Subdivision 1; 302A.741; 302A.751, Subdivisions 2 and 3; 302A.781, Subdivision 1; 302A.821, Subdivisions 4 and 5; repealing Minnesota Statutes 1981 Supplement, Sections 302A.011, Subdivision 35; and 302A.241, 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Pehler	Sieloff
Bang	Dieterich	Kronebusch	Penny	Sikorski
Belanger	Engler	Langseth	Peterson, C.C.	Solon
Benson	Frank	Lantry	Peterson, D.L.	Spear
Berg	Frederick	Lessard	Peterson, R.W.	Stern
Berglin	Frederickson	Lindgren	Petty	Stokowski
Bernhagen	Hanson	Luther	Pillsbury	Stumpf
Bertram	Hughes	Menning	Purfeerst	Taylor
Brataas	Humphrey	Merriam	Ramstad	Tennessee
Chmielewski	Johnson	Moe, D. M.	Renneke	Ulland
Dahl	Kamrath	Moe, R. D.	Rued	Vega
Davies	Knoll	Nelson	Schmitz	Waldorf
Davis	Knutson	Olhoft	Setzefandt	Willet

So the bill passed and its title was agreed to.

S.F. No. 1809: A bill for an act relating to crimes; providing for the protection of the victims of criminal sexual conduct, intrafamilial sexual abuse, or use of a minor to prepare an obscene work; amending Minnesota Statutes 1981 Supplement, Section 15.791, Subdivision 9; proposing new law coded in Minnesota Statutes, Chapter 631.

Was read the third time 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	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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 19: A bill for an act relating to eminent domain proceedings; allowing an award of costs and attorneys' fees under certain circumstances; amending Minnesota Statutes 1980, Section 117.195.

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 59 and nays 6, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Peterson, D.L.	Solon
Bang	Frank	Lantry	Peterson, R.W.	Spear
Belanger	Frederick	Lessard	Petty	Stern
Benson	Hanson	Lindgren	Pillsbury	Stokowski
Berg	Hughes	Luther	Purfeerst	Stumpf
Bernhagen	Humphrey	Menning	Ramstad	Taylor
Brataas	Johnson	Merriam	Renneke	Tennessee
Dahl	Kamrath	Moe, D. M.	Rued	Ulland
Davies	Knoll	Moe, R. D.	Schmitz	Vega
Davis	Knutson	Nelson	Setzepfandt	Waldorf
Dicklich	Kroening	Olhoft	Sieloff	Wegener
Dieterich	Kronebusch	Penny	Sikorski	

Those who voted in the negative were:

Berglin	Chmielewski	Pehler	Peterson, C.C.	Willet
Bertram				

So the bill passed and its title was agreed to.

S.F. No. 1825: A bill for an act relating to the collection and dissemination of data; proposing the classification of certain welfare data as nonpublic; amending Minnesota Statutes 1980, Section 15.1691, Subdivision 6; Minnesota Statutes 1981 Supplement, Sections 15.781, Subdivision 1; and 15.791, 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 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	Tennesen
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	Kamrath	Nelson	Setzpfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 2030: A bill for an act relating to economic development; granting power to the commissioner of energy, planning and development with respect to community development corporation grants; amending Minnesota Statutes 1980, Section 362.41, 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 61 and nays 5, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Lantry	Peterson, R. W.	Stokowski
Bang	Dieterich	Lessard	Petty	Stumpf
Belanger	Engler	Lindgren	Pillsbury	Taylor
Benson	Frederick	Luther	Purfeerst	Tennesen
Berg	Frederickson	Menning	Ramstad	Ulland
Berglin	Hanson	Merriam	Renneke	Vega
Bernhagen	Hughes	Moe, D. M.	Rued	Waldorf
Bertram	Humphrey	Moe, R. D.	Schmitz	Wegener
Brataas	Knoll	Nelson	Sieloff	Willet
Chmielewski	Knutson	Olhoft	Sikorski	
Dahl	Kroening	Pehler	Solon	
Davies	Kronebusch	Penny	Spear	
Davis	Langseth	Peterson, D. L.	Stern	

Those who voted in the negative were:

Frank	Johnson	Kamrath	Peterson, C. C.	Setzpfandt
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So the bill passed and its title was agreed to.

H.F. No. 2078: A bill for an act relating to state government; authorizing the commissioner of the department of economic security to delegate certain powers; amending Minnesota Statutes 1980, Section 268.011, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:



Ashbach	Dicklich	Langseth	Peterson, C.C.	Solon
Bang	Dieterich	Lantry	Peterson, D.L.	Spear
Belanger	Engler	Lessard	Peterson, R.W.	Stern
Benson	Frank	Lindgren	Petty	Stokowski
Berg	Frederick	Luther	Pillsbury	Stumpf
Berglin	Frederickson	Menning	Purfeerst	Taylor
Bernhagen	Hanson	Merriam	Ramstad	Tennessee
Bertram	Hughes	Moe, D. M.	Renneke	Ulland
Brataas	Humphrey	Moe, R. D.	Rued	Vega
Chmielewski	Johnson	Nelson	Schmitz	Waldorf
Dahl	Kamrath	Olhoft	Setzepfandt	Wegener
Davies	Kroening	Pehler	Sieloff	Willet
Davis	Kronebusch	Penny	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1840: A bill for an act relating to commerce; providing for a determination of when certain property held by a financial institution or business organization is presumed abandoned; amending Minnesota Statutes 1980, Sections 345.32, as amended; and 345.39, 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 63 and nays 2, 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.	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	Tennessee
Brataas	Humphrey	Moe, D. M.	Renneke	Ulland
Chmielewski	Johnson	Moe, R. D.	Rued	Vega
Dahl	Kamrath	Nelson	Schmitz	Waldorf
Davies	Knoll	Olhoft	Setzepfandt	
Davis	Knutson	Pehler	Sieloff	

Messrs. Kroening and Willet voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 2068: A bill for an act relating to intoxicating liquor; authorizing the city of International Falls to issue one short term on-sale liquor license.

Was read the third time 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:

Ashbach	Dicklich	Knutson	Pehler	Solon
Bang	Dieterich	Kroening	Penny	Spear
Belanger	Engler	Kronebusch	Peterson, R.W.	Stern
Benson	Frank	Langseth	Petty	Stokowski
Berg	Frederick	Lantry	Pillsbury	Stumpf
Berglin	Frederickson	Lessard	Purfeerst	Taylor
Bernhagen	Hanson	Luther	Rued	Tennessee
Bertram	Hughes	Merriam	Schmitz	Vega
Brataas	Humphrey	Moe, D. M.	Setzepfandt	Waldorf
Dahl	Johnson	Moe, R. D.	Sieloff	Wegener
Davies	Knoll	Nelson	Sikorski	Willet

Those who voted in the negative were:

Chmielewski	Kamrath	Menning	Peterson, D.L.	Renneke
Davies	Lindgren	Peterson, C.C.	Ramstad	Ulland

So the bill passed and its title was agreed to.

H.F. No. 12: A bill for an act relating to public utilities; requiring commission approval of interim rate changes; amending Minnesota Statutes 1980, Sections 216B.16, Subdivision 3; and 237.075, 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 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	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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 2125: A bill for an act relating to real property; providing that covenants, conditions, restrictions or extensions thereof annexed to a grant, devise or conveyance of land that are or become nominal shall not operate as a basis of forfeiture; providing for the modification and extension of contracts for deed; providing dates for applicable laws relating to termination of contracts; removing a time limitation on the duration of covenants, conditions and restrictions; amending Minnesota Statutes 1980, Sections 500.20, Subdivision 1; 559.21, Subdivision 1, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 508; repealing Minnesota Statutes 1980, Section 500.20, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 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.	Stokowski
Benson	Frederick	Lindgren	Petty	Stumpf
Berg	Frederickson	Luther	Pillsbury	Taylor
Berglin	Hanson	Menning	Purfeerst	Ulland
Bernhagen	Hughes	Merriam	Ramstad	Vega
Bertram	Humphrey	Moe, D. M.	Renneke	Waldorf
Brataas	Johnson	Moe, R. D.	Rued	Wegener
Chmielewski	Kamrath	Nelson	Schmitz	Willet
Dahl	Knoll	Olhoft	Setzepfandt	
Davies	Knutson	Pehler	Sieloff	
Davis	Kronebusch	Penny	Sikorski	

Mr. Kroening voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 2062: A bill for an act relating to courts; providing for the appointment of a court commissioner to solemnize marriages in the combined county court district of Benton and Stearns.

Was read the third time 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	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	Tennessee
Bernhagen	Hughes	Merriam	Ramstad	Vega
Bertram	Humphrey	Moe, D. M.	Renneke	Waldorf
Brataas	Johnson	Moe, R. D.	Rued	Wegener
Dahl	Kamrath	Nelson	Schmitz	Willet
Davies	Knoll	Olhoft	Sieloff	
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	Solon	

Messrs. Menning, Setzepfandt and Ulland voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1955: A bill for an act relating to tax forfeited land; restoring certain funds to the real estate assurance account; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 284.28, Subdivision 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 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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1561: A bill for an act relating to child support and maintenance payments; authorizing release of information for location of certain parents of deserted children; providing for the collection and withholding of payments;

amending Minnesota Statutes 1980, Section 256.978; Minnesota Statutes 1981 Supplement, Sections 256.872, Subdivisions 1, as amended, and 2; 518.551, Subdivisions 1 and 2; and 518.611, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 518; repealing Minnesota Statutes 1980, Sections 256.874 and 256.878; and Minnesota Statutes 1981 Supplement, Sections 256.875 and 256.877.

Was read the third time 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	Sieloff
Bang	Dieterich	Kronebusch	Penny	Sikorski
Belanger	Engler	Langseth	Peterson, C. C.	Solon
Benson	Frank	Lantry	Peterson, D. L.	Spear
Berg	Frederick	Lessard	Peterson, R. W.	Stern
Berglin	Frederickson	Lindgren	Petty	Stokowski
Bernhagen	Hanson	Luther	Pillsbury	Stumpf
Bertram	Hughes	Menning	Purfeerst	Taylor
Brataas	Humphrey	Merriam	Ramstad	Tennessee
Chmielewski	Johnson	Moe, D. M.	Renneke	Ulland
Dahl	Kamrath	Moe, R. D.	Rued	Vega
Davies	Knoll	Nelson	Schmitz	Waldorf
Davis	Knutson	Olhoft	Setzepfandt	Willet

So the bill passed and its title was agreed to.

S.F. No. 929: A bill for an act relating to commerce; requiring manufacturers of alcohol fueled motor vehicles to offer the same for sale within the state; proposing new law coded in Minnesota Statutes, Chapter 325E.

Was read the third time 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 19, as follows:

Those who voted in the affirmative were:

Berglin	Frederick	Menning	Petty	Stokowski
Bernhagen	Frederickson	Moe, D. M.	Purfeerst	Stumpf
Bertram	Hanson	Moe, R. D.	Renneke	Vega
Chmielewski	Hughes	Nelson	Schmitz	Waldorf
Dahl	Humphrey	Olhoft	Setzepfandt	Wegener
Davies	Johnson	Pehler	Sieloff	Willet
Dicklich	Kroening	Penny	Sikorski	
Dieterich	Langseth	Peterson, C. C.	Solon	
Engler	Lantry	Peterson, D. L.	Spear	
Frank	Luther	Peterson, R. W.	Stern	

Those who voted in the negative were:

Ashbach	Berg	Knutson	Merriam	Taylor
Bang	Brataas	Kronebusch	Pillsbury	Tennessee
Belanger	Davies	Lessard	Ramstad	Ulland
Benson	Kamrath	Lindgren	Rued	

So the bill passed and its title was agreed to.

S.F. No. 1886: A bill for an act relating to energy; changing the definition of

large energy facility; amending Minnesota Statutes 1980, Section 116H.02, 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 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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1221: A bill for an act relating to the city of Brooklyn Center; authorizing the establishment of a home energy conservation program; permitting special assessment for energy improvements.

Was read the third time 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	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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1677: A bill for an act relating to municipal planning and zoning; prohibiting exclusion of manufactured homes and other types of single family dwellings; amending Minnesota Statutes 1980, Sections 394.25, Subdivision 3; and 462.357, 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 54 and nays 12, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Peterson, C. C.	Spear
Bang	Frank	Langseth	Peterson, R. W.	Stern
Belanger	Frederick	Lantry	Petty	Stokowski
Benson	Hanson	Lessard	Pillsbury	Stumpf
Berg	Hughes	Luther	Purfeerst	Tennessee
Berglin	Humphrey	Menning	Rued	Ulland
Bernhagen	Johnson	Merriam	Schmitz	Vega
Brataas	Kamrath	Moe, D. M.	Setzpfandt	Waldorf
Chmielewski	Knoll	Moe, R. D.	Sieloff	Wegener
Davies	Knutson	Nelson	Sikorski	Willet
Davis	Kroening	Olhoft	Solon	

Those who voted in the negative were:

Bertram	Engler	Pehler	Peterson, D. L.	Renneke
Dahl	Frederickson	Penny	Ramstad	Taylor
Dicklich	Lindgren			

So the bill passed and its title was agreed to.

S.F. No. 1888: A bill for an act relating to education; requiring welfare and correctional institutions to submit an educational policy to the commissioner of education; proposing new law coded in Minnesota Statutes, Chapter 121.

Was read the third time 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	Lessard	Peterson, R. W.	Stern
Bang	Engler	Lindgren	Petty	Stokowski
Belanger	Frank	Luther	Pillsbury	Stumpf
Berg	Frederick	Menning	Purfeerst	Taylor
Berglin	Frederickson	Merriam	Ramstad	Tennessee
Bernhagen	Hughes	Moe, D. M.	Renneke	Vega
Bertram	Humphrey	Moe, R. D.	Rued	Waldorf
Brataas	Johnson	Nelson	Schmitz	Wegener
Chmielewski	Knoll	Olhoft	Setzpfandt	Willet
Dahl	Kroening	Pehler	Sieloff	
Davies	Kronebusch	Penny	Sikorski	
Davis	Langseth	Peterson, C. C.	Solon	
Dicklich	Lantry	Peterson, D. L.	Spear	

Messrs. Benson, Kamrath, Knutson and Ulland voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1838: A bill for an act relating to administrative procedures; providing for notice of temporary rulemaking; amending Minnesota Statutes 1981 Supplement, Section 15.0412, Subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Peterson, C. C.	Solon
Bang	Frank	Lantry	Peterson, D. L.	Spear
Belanger	Frederick	Lessard	Peterson, R. W.	Stern
Benson	Frederickson	Lindgren	Petty	Stokowski
Berg	Hanson	Luther	Pillsbury	Stumpf
Bertram	Hughes	Menning	Purfeerst	Taylor
Brataas	Humphrey	Merriam	Ramstad	Tennessee
Chmielewski	Johnson	Moe, D. M.	Renneke	Ulland
Dahl	Kamrath	Moe, R. D.	Rued	Waldorf
Davies	Knoll	Nelson	Schmitz	Wegener
Davis	Knutson	Olhoft	Setzepfandt	Willet
Dicklich	Kroening	Pehler	Sieloff	
Dieterich	Kronebusch	Penny	Sikorski	

Ms. Berglin and Mr. Vega voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1747: A bill for an act relating to natural resources; requiring payment of interest on late refunds to timber sale permit holders; authorizing reappraisal of damaged or destroyed timber sold under a permit; authorizing settlement of permit obligations when a permittee is incapacitated or deceased; extending the time during which the commissioner of natural resources may extend timber permits; amending Minnesota Statutes 1980, Section 90.201; and Laws 1981, Chapter 305, Section 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	Engler	Langseth	Peterson, C. C.	Solon
Bang	Frank	Lantry	Peterson, D. L.	Spear
Belanger	Frederick	Lessard	Peterson, R. W.	Stern
Benson	Frederickson	Lindgren	Petty	Stokowski
Berg	Hanson	Luther	Pillsbury	Stumpf
Bernhagen	Hughes	Menning	Purfeerst	Taylor
Bertram	Humphrey	Merriam	Ramstad	Tennessee
Brataas	Johnson	Moe, D. M.	Renneke	Ulland
Chmielewski	Kamrath	Moe, R. D.	Rued	Vega
Dahl	Knoll	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sieloff	Willet
Dieterich	Kronebusch	Penny	Sikorski	

So the bill passed and its title was agreed to.

S.F. No. 1908: A bill for an act relating to waters and watercraft safety; amending the definition of watercraft; defining paddle boat; changing registration fees; amending Minnesota Statutes 1980, Sections 361.02, Subdivision 7, and by adding a subdivision; and 361.03, 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 5, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Peterson, C. C.	Sikorski
Bang	Engler	Lantry	Peterson, D. L.	Solon
Belanger	Frank	Lessard	Peterson, R. W.	Spear
Benson	Frederick	Lindgren	Petty	Stern
Berg	Frederickson	Luther	Pillsbury	Stokowski
Berglin	Hughes	Menning	Purfeerst	Stumpf
Bernhagen	Humphrey	Merriam	Ramstad	Taylor
Bertram	Kamrath	Moe, D. M.	Renneke	Tennessee
Brataas	Knoll	Moe, R. D.	Rued	Ulland
Chmielewski	Knutson	Nelson	Schmitz	Vega
Dahl	Kroening	Olhoft	Setzepfandt	Waldorf
Davies	Kronebusch	Penny	Sieloff	Wegener

Those who voted in the negative were:

Davis	Dicklich	Johnson	Pehler	Willet
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So the bill passed and its title was agreed to.

S.F. No. 2111: A bill for an act relating to real estate; directing conveyances of the state's right, title and interest in certain lands to Lake of the Woods County and Beltrami County.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1022: A bill for an act relating to water; raising the petitioners' bond in certain drainage project cases and the appellant's bond in the case of certain appeals; clarifying the responsibility imposed on certain water project contractors; amending Minnesota Statutes 1980, Sections 105.463; 106.041; and 106.631, 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:



Bang	Engler	Lessard	Peterson, R. W.	Stern
Belanger	Frank	Lindgren	Petty	Stokowski
Berglin	Frederickson	Luther	Purfeerst	Stumpf
Bernhagen	Hanson	Menning	Ramstad	Taylor
Bertram	Humphrey	Merriam	Renneke	Tennessee
Brataas	Johnson	Moe, D. M.	Rued	Ulland
Chmielewski	Knoll	Moe, R. D.	Schmitz	Vega
Dahl	Knutson	Nelson	Setzepfandt	Waldorf
Davies	Kroening	Olhoft	Sieloff	Wegener
Davis	Kronebusch	Pehler	Sikorski	Willet
Dicklich	Langseth	Penny	Solon	
Dieterich	Lantry	Peterson, C.C.	Spear	

Those who voted in the negative were:

Benson	Frederick	Kamrath	Peterson, D.L.	Pillsbury
Berg				

So the bill passed and its title was agreed to.

S.F. No. 1894: A bill for an act relating to energy; changing the duties of the commissioner of the department of energy, planning and development; expanding the scope of certain energy education programs; changing certain residential energy sales programs; providing for wind energy conversion systems in county and municipal zoning law; creating wind easements; amending Minnesota Statutes 1980, Sections 116H.02, by adding a subdivision; 116H.15, Subdivisions 1 and 3; 394.25, Subdivision 3; 462.357, Subdivision 1; 500.30; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.088, Subdivision 1; 116H.095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.128; 116H.15, Subdivision 2; 116H.18; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; and Minnesota Statutes 1981 Supplement, Section 120.78, 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 5, as follows:

Those who voted in the affirmative were:

Bang	Engler	Lantry	Peterson, D.L.	Stokowski
Benson	Frank	Lessard	Peterson, R.W.	Stumpf
Berg	Frederick	Lindgren	Petty	Taylor
Berglin	Frederickson	Luther	Pillsbury	Tennessee
Bernhagen	Hanson	Menning	Purfeerst	Ulland
Bertram	Hughes	Merriam	Ramstad	Vega
Brataas	Humphrey	Moe, D. M.	Rued	Waldorf
Chmielewski	Johnson	Moe, R. D.	Schmitz	Wegener
Dahl	Knoll	Nelson	Sieloff	Willet
Davies	Knutson	Olhoft	Sikorski	
Davis	Kroening	Pehler	Solon	
Dicklich	Kronebusch	Penny	Spear	
Dieterich	Langseth	Peterson, C.C.	Stern	

Those who voted in the negative were:

Ashbach	Belanger	Kamrath	Renneke	Setzepfandt
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So the bill passed and its title was agreed to.

S.F. No. 2000: A bill for an act relating to the city of Brooklyn Center; authorizing the Brooklyn Center housing and redevelopment authority to carry out a housing interest buy-down program.

Was read the third time 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 7, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Peterson, R. W.	Spear
Bang	Engler	Lantry	Petty	Stern
Belanger	Frank	Lessard	Pillsbury	Stokowski
Benson	Frederickson	Lindgren	Purfeerst	Stumpf
Berg	Hanson	Luther	Ramstad	Taylor
Berglin	Hughes	Menning	Renneke	Ulland
Bernhagen	Humphrey	Moe, D. M.	Rued	Vega
Bertram	Johnson	Moe, R. D.	Schmitz	Waldorf
Chmielewski	Kamrath	Nelson	Setzepfandt	Wegener
Dahl	Knoll	Pehler	Sieloff	Willet
Davis	Kroening	Penny	Sikorski	
Dicklich	Kronebusch	Peterson, C. C.	Solon	

Those who voted in the negative were:

Brataas	Frederick	Merriam	Olhoft	Tennessee
Davies	Knutson			

So the bill passed and its title was agreed to.

S.F. No. 1967: A bill for an act relating to highway traffic regulations; including a person in a wheelchair within the definition of pedestrian; amending Minnesota Statutes 1980, Sections 169.01, Subdivision 24, and by adding a subdivision; and 169.21, 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 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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 2006: A bill for an act relating to gambling; providing an exception for certain nonprofit organizations to the annual limitation on prizes awarded from the conduct of raffles; amending Minnesota Statutes 1980, Sections

349.17, Subdivision 1; and 349.26, Subdivision 9, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 349.26, 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 55 and nays 10, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Knutson	Pehler	Sikorski
Bang	Dieterich	Kroening	Penny	Solon
Belanger	Engler	Kronebusch	Peterson, C. C.	Spear
Benson	Frank	Lantry	Peterson, D. L.	Stern
Berglin	Frederick	Lessard	Peterson, R. W.	Stokowski
Bernhagen	Frederickson	Lindgren	Petty	Stumpf
Bertram	Hanson	Luther	Pillsbury	Tennessee
Brataas	Hughes	Merriam	Purfeerst	Vega
Chmielewski	Humphrey	Moe, D. M.	Ramstad	Waldorf
Dahl	Kamrath	Moe, R. D.	Schmitz	Wegener
Davis	Knoll	Nelson	Setzepfandt	Willet

Those who voted in the negative were:

Berg	Johnson	Menning	Renneke	Sieloff
Davies	Langseth	Olhoft	Rued	Ulland

So the bill passed and its title was agreed to.

S.F. No. 1907: A bill for an act relating to real property; requiring certification by the municipality prior to transfer by the county auditor of certain unplatted properties; proposing new law coded in Minnesota Statutes, Chapter 272.

Was read the third time 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	Kamrath	Moe, R. D.	Rued	Waldorf
Davies	Knoll	Nelson	Setzepfandt	Wegener
Davis	Knutson	Olhoft	Sieloff	Willet

So the bill passed and its title was agreed to.

S.F. No. 1758: A bill for an act relating to crimes; prohibiting conspiracies to violate controlled substances laws; clarifying the crime of escape from jail; prescribing penalties; amending Minnesota Statutes 1980, Section 609.485, Subdivision 3; proposing new law coded in Minnesota Statutes 1980, Chapter

152.

Was read the third time 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	Sieloff
Bang	Dieterich	Kronebusch	Penny	Sikorski
Belanger	Engler	Langseth	Peterson, C. C.	Solon
Benson	Frank	Lantry	Peterson, D. L.	Spear
Berg	Frederick	Lessard	Peterson, R. W.	Stern
Berglin	Frederickson	Lindgren	Petty	Stokowski
Bernhagen	Hanson	Luther	Pillsbury	Taylor
Bertram	Hughes	Menning	Purfeerst	Tennessee
Brataas	Humphrey	Merriam	Ramstad	Ulland
Chmielewski	Johnson	Moe, D. M.	Renneke	Vega
Dahl	Kamrath	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.

S.F. No. 2121: A bill for an act relating to Olmsted County; allowing the county recorder to extend credit for the payment of charges.

Was read the third time 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	Kamrath	Moe, R. D.	Rued	Waldorf
Davies	Knoll	Nelson	Schmitz	Wegener
Davis	Knutson	Olhoft	Sieloff	Willet

So the bill passed and its title was agreed to.

S.F. No. 1078: A bill for an act relating to game and fish; allowing the commissioner of natural resources to authorize the use of snowmobiles in connection with taking beaver or otter; amending Minnesota Statutes 1980, Section 100.29, Subdivision 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 47 and nays 19, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Knoll	Pehler	Setzepfandt
Bang	Dieterich	Knutson	Penny	Solon
Belanger	Engler	Kronebusch	Peterson, C. C.	Stern
Benson	Frederick	Langseth	Peterson, R. W.	Taylor
Berg	Frederickson	Lantry	Pillsbury	Ulland
Bernhagen	Hanson	Lessard	Purfeerst	Wegener
Bertram	Hughes	Menning	Ramstad	Willet
Chmielewski	Humphrey	Merriam	Renneke	
Dahl	Johnson	Moe, R. D.	Rued	
Davis	Kamrath	Olhoft	Schmitz	

Those who voted in the negative were:

Berglin	Kroening	Nelson	Sikorski	Tennessee
Brataas	Lindgren	Peterson, D. L.	Spear	Vega
Davies	Luther	Petty	Stokowski	Waldorf
Frank	Moe, D. M.	Sieloff	Stumpf	

So the bill passed and its title was agreed to.

S.F. No. 2048: A bill for an act relating to state parks; restating the boundaries of Tower Soudan state park; authorizing conveyance of certain park lands.

Was read the third time 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	Dieterich	Kronebusch	Penny	Sikorski
Bang	Engler	Langseth	Peterson, C. C.	Solon
Belanger	Frank	Lantry	Peterson, D. L.	Spear
Benson	Frederick	Lessard	Peterson, R. W.	Stern
Berglin	Frederickson	Lindgren	Petty	Stokowski
Bernhagen	Hanson	Luther	Pillsbury	Stumpf
Bertram	Hughes	Menning	Purfeerst	Taylor
Brataas	Humphrey	Merriam	Ramstad	Tennessee
Chmielewski	Johnson	Moe, D. M.	Renneke	Ulland
Dahl	Kamrath	Moe, R. D.	Rued	Vega
Davies	Knoll	Nelson	Schmitz	Waldorf
Davis	Knutson	Olhoft	Setzepfandt	Wegener
Dicklich	Kroening	Pehler	Sieloff	Willet

So the bill passed and its title was agreed to.

S.F. No. 1631: A bill for an act relating to the Red River watershed; naming all counties in which the special taxing authority of certain watershed districts applies; amending Laws 1976, Chapter 162, 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 65 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.	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	Tennessee
Brataas	Humphrey	Moe, D. M.	Renneke	Ulland
Chmielewski	Johnson	Moe, R. D.	Rued	Vega
Dahl	Kamrath	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sieloff	Willet

So the bill passed and its title was agreed to.

S.F. No. 2035: A bill for an act relating to victim reparation for wrongful death; a clarification of the time limitations for maintaining an action for death by intentional wrongful act where the act causing the death constitutes the crime of murder; amending Minnesota Statutes 1980, Section 573.02, Sub-division 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 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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1523: A bill for an act relating to the city of Little Falls; extending a certain expired deferred compensation option to the city administrator therein.

Was read the third time 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, D.L.	Stern
Bang	Engler	Langseth	Peterson, R.W.	Stokowski
Belanger	Frank	Lantry	Petty	Stumpf
Benson	Frederick	Lessard	Pillsbury	Tennessee
Berg	Frederickson	Lindgren	Purfeerst	Ulland
Bernhagen	Hanson	Luther	Ramstad	Vega
Bertram	Hughes	Menning	Renneke	Waldorf
Brataas	Humphrey	Moe, D. M.	Rued	Wegener
Chmielewski	Johnson	Moe, R. D.	Schmitz	Willet
Dahl	Kamrath	Nelson	Setzpfandt	
Davies	Knoll	Olhoft	Sieloff	
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	Solon	

Ms. Berglin; Messrs. Merriam; Peterson, C.C. and Spear voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 1948: A bill for an act relating to retirement; Richfield firefighters relief association; eliminating various obsolete special law provisions; validating certain prior payments or actions; amending Extra Session Laws 1961, Chapter 28, Section 14; repealing Extra Session Laws 1961, Chapter 28, Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13; and Laws 1963, Chapter 464.

Was read the third time 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	Sieloff
Bang	Dieterich	Kronebusch	Penny	Sikorski
Belanger	Engler	Langseth	Peterson, C.C.	Solon
Benson	Frank	Lantry	Peterson, D.L.	Spear
Berg	Frederick	Lessard	Peterson, R.W.	Stern
Berglin	Frederickson	Lindgren	Petty	Stokowski
Bernhagen	Hanson	Luther	Pillsbury	Stumpf
Bertram	Hughes	Menning	Purfeerst	Tennessee
Brataas	Humphrey	Merriam	Ramstad	Ulland
Chmielewski	Johnson	Moe, D. M.	Renneke	Vega
Dahl	Kamrath	Moe, R. D.	Rued	Waldorf
Davies	Knoll	Nelson	Schmitz	Wegener
Davis	Knutson	Olhoft	Setzpfandt	Willet

So the bill passed and its title was agreed to.

H.F. No. 1646: A bill for an act relating to retirement; Buhl school district; altering the effective date of retirement for the payment of the post-retirement increase; requiring payment of necessary reserves.

Was read the third time 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	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	Tennessen
Bernhagen	Hanson	Luther	Purfeerst	Ulland
Bertram	Hughes	Menning	Ramstad	Vega
Brataas	Humphrey	Merriam	Renneke	Waldorf
Chmielewski	Johnson	Moe, D.M.	Rued	Wegener
Dahl	Kamrath	Moe, R.D.	Schmitz	Willet
Davies	Knoll	Olhoft	Setzepfandt	
Davis	Knutson	Pehler	Sieloff	

Messrs. Nelson and Solon voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 1336: A bill for an act relating to retirement; highway patrol benefits and refunds; providing annual benefit increases to pre-1973 retirees and surviving spouses; appropriating funds; amending Minnesota Statutes 1980, Section 352B.11, Subdivision 1; and Minnesota Statutes 1981 Supplement, Sections 352B.02, Subdivision 1; 352B.08, Subdivision 2; and 352B.11, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 352B.

With the unanimous consent of the Senate, Mr. Peterson, C.C. moved that the amendment made to H.F. No. 1336 by the Committee on Rules and Administration in the report adopted March 3, 1982, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1336 was read the third time 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	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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1541: A bill for an act relating to accident and health insurance; broadening continuation and conversion privileges of survivors and former spouses; amending Minnesota Statutes 1980, Sections 62A.145; 62A.146;



62C.142; and 62D.101; and Minnesota Statutes 1981 Supplement, Section 62A.21, Subdivisions 2a and 2b.

Was read the third time 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 5, as follows:

Those who voted in the affirmative were:

Belanger	Hanson	Menning	Pillsbury	Stokowski
Berglin	Hughes	Merriam	Purfeerst	Stumpf
Bertram	Humphrey	Moe, D. M.	Ramstad	Taylor
Chmielewski	Johnson	Moe, R. D.	Renneke	Tennessee
Dahl	Knoll	Nelson	Rued	Ulland
Davies	Kroening	Olhoft	Schmitz	Vega
Davis	Kronebusch	Pehler	Setzepfandt	Waldorf
Dicklich	Langseth	Penny	Sieloff	Wegener
Dieterich	Lantry	Peterson, C.C.	Sikorski	Willet
Frank	Lessard	Peterson, D.L.	Solon	
Frederick	Lindgren	Peterson, R.W.	Spear	
Frederickson	Luther	Petty	Stern	

Those who voted in the negative were:

Ashbach	Bang	Benson	Brataas	Kamrath
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So the bill passed and its title was agreed to.

S.F. No. 518: A bill for an act relating to cable communications; changing certain definitions and procedures relating to cable communications system franchises and operations; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.03; 238.05, by adding a subdivision; 238.06, Subdivision 6; 238.09, Subdivisions 6 and 7; 238.11, Subdivision 2; and 238.12, 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 7, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Penny	Sieloff
Bang	Frank	Lantry	Peterson, C.C.	Sikorski
Belanger	Frederick	Lessard	Peterson, D.L.	Solon
Benson	Frederickson	Lindgren	Peterson, R.W.	Stern
Berg	Hanson	Luther	Petty	Stokowski
Bernhagen	Hughes	Menning	Pillsbury	Stumpf
Bertram	Humphrey	Merriam	Purfeerst	Taylor
Brataas	Johnson	Moe, D. M.	Ramstad	Ulland
Chmielewski	Kamrath	Moe, R. D.	Renneke	Vega
Dahl	Knoll	Nelson	Rued	Waldorf
Davis	Knutson	Olhoft	Schmitz	Wegener
Dicklich	Kronebusch	Pehler	Setzepfandt	

Those who voted in the negative were:

Berglin	Dieterich	Spear	Tennessee	Willet
Davies	Kroening			

So the bill passed and its title was agreed to.

S.F. No. 1684: A bill for an act relating to commerce; providing uniformity

in requiring insurance of accounts in depository financial institutions; clarifying examination reports as confidential records; clarifying permissible transactions at financial institutions by examiners; defining building and loan association; clarifying financial institution real estate investment authority; establishing an application procedure for certain bank detached facilities; providing for clearly differentiating a detached facility from the parent bank principal office; establishing a uniform authority for financial institutions' limited trust powers and individual housing accounts; clarifying certain words, terms and phrases relating to supervision of banks and trust companies; eliminating the filing requirement for bank directors' oaths; clarifying exceptions to prohibition against bank or trust company sale of assets; providing for uniform quarterly reporting by banks or trust companies; providing uniform capital requirements for stock savings banks and approval procedures for amending articles or certificates of incorporation; removing inconsistencies in fees payable to secretary of state; removing the expiration date for the credit union advisory council; removing inconsistencies with earlier laws regarding certificate loan plans of industrial loan and thrift companies; providing for liquidity reserve requirements by insured industrial loan and thrift companies consistent with other depository institutions; providing for reasonable fees, annual renewals and surety bond limits for licensing safe deposit companies; clarifying default charges, deferrals, conversion rights, interest after maturity and issuance of receipts on regulated loans; limiting licensing and examination of sales finance companies to those located in this state; authorizing the restatement of articles of incorporation of financial institutions; removing ceiling on interest rate paid by mortgagor during redemption period; amending Minnesota Statutes 1980, Sections 46.07, Subdivision 2; 46.09, as amended; 47.01, Subdivision 5; 47.10; 48.01, Subdivision 1; 48.16; 48.21; 48.76; 50.25; 51A.23, Subdivision 6; 52.061; 52.24; 53.04, Subdivision 5; 53.07; 55.04, Subdivision 2; 55.05; 168.66, Subdivision 8; 580.23, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 48.06; 48.48; 51A.03, Subdivision 5; 56.131, Subdivision 1; 56.14; proposing new law coded in Minnesota Statutes, Chapters 45; 47; 55; and 300; repealing Minnesota Statutes 1980, Sections 47.16, Subdivision 2; 48.159, Subdivision 1; 48.25; 50.157, Subdivision 1; 51A.21, Subdivision 16; 52.135; Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; and 52.136.

Was read the third time 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 7, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Pehler	Setzepfandt
Bang	Dieterich	Langseth	Penny	Sieloff
Belanger	Engler	Lantry	Peterson, C.C.	Sikorski
Benson	Frank	Lessard	Peterson, D.L.	Solon
Berg	Frederick	Lindgren	Peterson, R.W.	Stern
Bernhagen	Frederickson	Luther	Petty	Stokowski
Bertram	Hanson	Menning	Pillsbury	Stumpf
Brataas	Hughes	Merriam	Purfeerst	Taylor
Chmielewski	Humphrey	Moe, D. M.	Ramstad	Tennessee
Dahl	Kamrath	Moe, R. D.	Renneke	Ulland
Davies	Knoll	Nelson	Rued	Wegener
Davis	Knutson	Olhoft	Schmitz	

Those who voted in the negative were:

Berglin                      Kroening                      Vega                      Waldorf                      Willet  
Johnson                      Spear

So the bill passed and its title was agreed to.

S.F. No. 1957: A resolution memorializing the President and Congress of the United States in support of a mutual freeze with the Soviet Union on the testing, production, and deployment of nuclear weapons and delivery systems.

Was read the third time 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:

Bang	Engler	Lantry	Peterson, D.L.	Stern
Belanger	Frank	Lessard	Peterson, R.W.	Stokowski
Benson	Frederickson	Lindgren	Petty	Stumpf
Berg	Hanson	Luther	Purfeerst	Taylor
Berglin	Hughes	Menning	Ramstad	Tennessee
Bernhagen	Humphrey	Merriam	Renneke	Ulland
Bertram	Johnson	Moe, D. M.	Rued	Vega
Chmielewski	Kamrath	Moe, R. D.	Schmitz	Waldorf
Dahl	Knoll	Nelson	Setzepfandt	Wegener
Davies	Knutson	Olhoft	Sieloff	Willet
Davis	Kroening	Pehler	Sikorski	
Dicklich	Kronebusch	Penny	Solon	
Dieterich	Langseth	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1630: A bill for an act relating to the legislature; changing January payment date; amending Minnesota Statutes 1980, Section 3.099, 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 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	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1640: A bill for an act relating to Hennepin County; providing for the interest on and name of certain debt; regulating personnel provisions; clarifying self insurance authority; permitting the county board members to be

paid an allowance in lieu of mileage; removing an exception to the general law; amending Minnesota Statutes 1981 Supplement, Section 375.055, Subdivision 1; Laws 1965, Chapter 855, Section 4, Subdivision 1, as amended, and Section 7, Subdivisions 3, as amended, and 4, as amended; Laws 1979, Chapter 55, Section 1; and Laws 1979, Chapter 198, Article II, Section 7, 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 51 and nays 14, as follows:

Those who voted in the affirmative were:

Bang	Dicklich	Kronebusch	Peterson, R. W.	Stokowski
Belanger	Dieterich	Langseth	Petty	Stumpf
Benson	Engler	Lantry	Pillsbury	Taylor
Berg	Frank	Luther	Purfeerst	Tennessee
Berglin	Frederickson	Menning	Ramstad	Ulland
Bernhagen	Hanson	Merriam	Renneke	Vega
Brataas	Hughes	Moe, D. M.	Schmitz	Wegener
Chmielewski	Humphrey	Moe, R. D.	Sieloff	
Dahl	Johnson	Nelson	Sikorski	
Davies	Kamrath	Olhoft	Solon	
Davis	Knoll	Penny	Spear	

Those who voted in the negative were:

Ashbach	Knutson	Lindgren	Peterson, D. L.	Waldorf
Bertram	Kroening	Pehler	Rued	Willet
Frederick	Lessard	Peterson, C. C.	Setzepfandt	

So the bill passed and its title was agreed to.

S.F. No. 1869: A bill for an act relating to local government; permitting counties to make electronic funds transfers; amending Minnesota Statutes 1980, Section 471.38, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Penny	Sikorski
Bang	Engler	Langseth	Peterson, C. C.	Solon
Belanger	Frank	Lantry	Peterson, D. L.	Spear
Benson	Frederick	Lessard	Peterson, R. W.	Stokowski
Berg	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	Kamrath	Moe, R. D.	Rued	Waldorf
Davies	Knoll	Nelson	Schmitz	Wegener
Davis	Knutson	Olhoft	Setzepfandt	Willet
Dicklich	Kroening	Pehler	Sieloff	

So the bill passed and its title was agreed to.

S.F. No. 2141: A bill for an act relating to local government; allowing towns

and cities to set license fees for cigarette sellers; amending Minnesota Statutes 1980, Section 461.12.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 2, as follows:

Those who voted in the affirmative were:

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	Olhoff	Setzepfand	Wegener
Davis	Knutson	Pehler	Sieloff	Willet
Dicklich	Kronebusch	Penny	Sikorski	
Dieterich	Langseth	Peterson, C. C.	Solon	

Ms. Berglin and Mr. Kroening voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1879: A bill for an act relating to state government; allowing for disclosures of information between the commissioner of revenue and the department of economic security; amending Minnesota Statutes 1980, Section 268.12, Subdivision 12; and Minnesota Statutes 1981 Supplement, Section 290.61.

Was read the third time 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	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	Kamrath	Nelson	Setzepfand	Willet
Dahl	Knoll	Olhoff	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S.F. No. 1987: A bill for an act relating to taxation; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; amending Minnesota Statutes 1980, Sections 278.01; and 278.05, 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	Dicklich	Kronebusch	Penny	Sikorski
Bang	Engler	Langseth	Peterson, C. C.	Solon
Belanger	Frank	Lantry	Peterson, D. L.	Spear
Benson	Frederick	Lessard	Peterson, R. W.	Stern
Berg	Frederickson	Lindgren	Petty	Stokowski
Berglin	Hanson	Luther	Pillsbury	Stumpf
Bernhagen	Hughes	Menning	Purfeerst	Taylor
Bertram	Humphrey	Merriam	Ramstad	Tennesen
Brataas	Johnson	Moe, D. M.	Renneke	Ulland
Chmielewski	Kamrath	Moe, R. D.	Rued	Vega
Dahl	Knoll	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sieloff	Willet

So the bill passed and its title was agreed to.

S.F. No. 276: A bill for an act relating to health; establishing an advisory task force on the use of state facilities in lieu of reimbursing private facilities for some purposes; 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 57 and nays 8, as follows:

Those who voted in the affirmative were:

Belanger	Frank	Lessard	Peterson, R. W.	Spear
Berglin	Frederick	Lindgren	Petty	Stern
Bernhagen	Frederickson	Luther	Pillsbury	Stokowski
Bertram	Hanson	Menning	Purfeerst	Stumpf
Brataas	Hughes	Moe, D. M.	Ramstad	Taylor
Chmielewski	Humphrey	Moe, R. D.	Renneke	Tennesen
Dahl	Johnson	Nelson	Rued	Vega
Davies	Knoll	Olhoft	Schmitz	Wegener
Davis	Kroening	Pehler	Setzepfandt	Willet
Dicklich	Kronebusch	Penny	Sieloff	
Dieterich	Langseth	Peterson, C. C.	Sikorski	
Engler	Lantry	Peterson, D. L.	Solon	

Those who voted in the negative were:

Ashbach	Benson	Knutson	Ulland	Waldorf
Bang	Kamrath	Merriam		

So the bill passed and its title was agreed to.

S.F. No. 1966: A bill for an act relating to education; authorizing Independent School District No. 742 to commence AVTI construction subject to certain conditions; permitting the state university board to replace certain buildings.

Was read the third time 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	Penny	Sikorski
Bang	Dieterich	Kronebusch	Peterson, C. C.	Solon
Belanger	Engler	Langseth	Peterson, D. L.	Spear
Benson	Frank	Lantry	Peterson, R. W.	Stern
Berg	Frederick	Lindgren	Petty	Stokowski
Berglin	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	Knoli	Olhoft	Setzepfandt	Wegener
Davis	Knutson	Pehler	Sieloff	Willet

So the bill passed and its title was agreed to.

S.F. No. 1421: A bill for an act relating to fish and wildlife; providing additional authority for the commissioner of natural resources to limit the numbers of deer and bear hunters under certain circumstances; increasing resident deer and bear license fees; providing for deer and bear management, computerized licensing systems, and emergency feeding of wild animals during the winter of 1982; clarifying provisions concerning possession of certain equipment usable in taking fish; authorizing negotiated sale of certain surplus equipment; appropriating money; amending Minnesota Statutes 1980, Sections 97.48, Subdivision 24; 97.49, Subdivision 1a, and by adding a subdivision; and 101.42, Subdivision 18; and Minnesota Statutes 1981 Supplement, Section 98.46, 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 3, 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	Tennessee
Bernhagen	Hughes	Merriam	Renneke	Ulland
Bertram	Humphrey	Moe, R. D.	Rued	Vega
Brataas	Johnson	Nelson	Schmitz	Waldorf
Chmielewski	Kamrath	Olhoft	Setzepfandt	Wegener
Dahl	Knoll	Pehler	Sieloff	Willet
Davis	Knutson	Penny	Sikorski	
Dicklich	Kronebusch	Peterson, C. C.	Solon	

Messrs. Davies, Kroening and Moe, D.M. voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1623: A bill for an act relating to municipal bonds; providing a formula for determining limitations on interest rates; changing a public sale requirement; amending Minnesota Statutes 1980, Sections 474.06; 475.55 and 475.60, 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 1, 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	Kamrath	Nelson	Sieloff	Willet
Davies	Knoll	Olhoft	Sikorski	
Davis	Knutson	Pehler	Solon	

Mr. Kroening voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1666: A bill for an act relating to legal services; providing for a surcharge on civil filing fees; authorizing the supreme court to appoint an advisory committee; authorizing the distribution of the surcharge funds to qualified programs providing legal services to certain persons; requiring a report to the legislature; proposing new law coded in Minnesota Statutes, Chapter 480.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 11, as follows:

Those who voted in the affirmative were:

Belanger	Engler	Lessard	Peterson, R. W.	Spear
Berg	Frederickson	Lindgren	Petty	Stern
Berglin	Hanson	Luther	Pillsbury	Stumpf
Bernhagen	Hughes	Menning	Purfeerst	Taylor
Brataas	Humphrey	Merriam	Ramstad	Tennessee
Chmielewski	Johnson	Moe, R. D.	Renneke	Vega
Dahl	Knoll	Nelson	Schmitz	Wegener
Davies	Kroening	Olhoft	Setzepfandt	Willet
Davis	Kronebusch	Pehler	Sieloff	
Dicklich	Langseth	Penny	Sikorski	
Dieterich	Lantry	Peterson, C. C.	Solon	

Those who voted in the negative were:

Bang	Frank	Knutson	Rued	Ulland
Benson	Kamrath	Peterson, D. L.	Stokowski	Waldorf
Bertram				

So the bill passed and its title was agreed to.

S.F. No. 1818: A bill for an act relating to financial institutions; providing for maximum interest rates on the unpaid balance of loans made by a bank, savings bank, savings association, or credit union; making a temporary, super-seeding interest rate provision permanent; amending Minnesota Statutes 1980, Sections 48.153, Subdivisions 1a and 3a; 52.14, Subdivision 2; Minnesota



Statutes 1981 Supplement, Section 48.195; repealing Minnesota Statutes 1980, Sections 48.153, Subdivisions 1 and 3; and 52.14, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 11, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lessard	Peterson, C. C.	Solon
Bang	Frank	Lindgren	Peterson, D. L.	Stern
Belanger	Frederick	Luther	Peterson, R. W.	Stokowski
Benson	Frederickson	Menning	Petty	Taylor
Berg	Hanson	Merriam	Pillsbury	Tennessee
Bernhagen	Kamrath	Moe, D. M.	Purfeerst	Ulland
Bertram	Knoll	Moe, R. D.	Ramstad	Vega
Brataas	Knutson	Nelson	Renneke	Waldorf
Dahl	Kronebusch	Olhoft	Rued	Wegener
Davies	Langseth	Pehler	Schmitz	
Davis	Lantry	Penny	Setzepfandt	

Those who voted in the negative were:

Berglin	Dieterich	Johnson	Sikorski	Stumpf
Chmielewski	Hughes	Kroening	Spear	Willet
Dicklich				

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 revert to the Order of Business of Reports of Committees and Second Reading of Senate and House Bills. 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,

H.F. No. 1555: A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; governing the recognition of school district property tax revenues and the computation of levies; granting certain powers and duties to school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; repealing certain administrative rules; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 121.11, Subdivision 12; 121.908, Subdivision 3; 121.912, Subdivisions 2 and 3; 122.90, Subdivision 1; 123.37, Subdivision 1b; 123.741, Subdivision 1; 123.78, Subdivision 1; 124.19, Subdivision 1, and by adding a subdivision; 124.213, Subdivision 2; 124.32, Subdivisions 7 and 10; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivision 1a, as added; 275.125, Subdivisions 2a, 2d, 2e, 5, as amended, 6b, 6c, 7a, 7c, 9, 19, 20, and by adding subdivisions; 275.48; 298.28, Subdivision 1; 475.61, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Sub-

divisions 5a and 6; 121.904, Subdivisions 4 and 7; 122.531, Subdivision 6; 122.542, Subdivisions 3 and 4; 123.35, by adding a subdivision; 123.702, Subdivisions 1 and 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.2121, Subdivisions 2, 4, and 5, as amended; 124.2122, Subdivisions 1, and 2, as amended; 124.2123, Subdivisions 1, 3, and by adding a subdivision; 124.2124, Subdivisions 1, as amended, and 3; 124.2125, Subdivision 1, as amended; 124.2126, Subdivision 3; 124.2128, Subdivisions 1 and 5; 124.2129, Subdivision 3, and by adding a subdivision; 124.213, Subdivision 2; 124.223; 124.225, as amended; 124.245, Subdivisions 1 and 1a; 124.251; 124.271, Subdivision 2a; 124.32, Subdivisions 1, 1a, and 5; 124.38, Subdivision 7; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 125.611, Subdivision 5; 136A.81, Subdivision 1; 275.125, Subdivisions 8 and 11b; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Article VII, Section 29, as amended; Third Special Session Chapter 2, Article II, Sections 1, 2, 15, and 20; Article IV, Sections 3, Subdivisions 2 and 3; 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivisions 4a and 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14; 128.05; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8.

Reports the same back with the recommendation that the report from the Committee on Taxes and Tax Laws, shown in the Journal for March 4, 1982, be adopted; that committee recommendation being

“the bill be amended and when so amended the bill do pass.”

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 2003: A bill for an act relating to agriculture; providing for the prevention of economic waste in the marketing of certain agricultural crops produced in Minnesota by fixing a minimum price; providing for administration and enforcement; providing a penalty; proposing new law coded in Minnesota Statutes, Chapter 17.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete lines 11 and 12

Pages 2 and 3, delete sections 2 to 5 and insert:

“Sec. 2. [LEGISLATIVE COMMISSION ON FARM COMMODITY PRICES.] *Subdivision 1. [COMPOSITION.] The legislative commission on farm prices is composed of three senators of the majority party and two senators of the minority party appointed by the subcommittee on committees of the committee on rules and administration, and three representatives of the majority party and two representatives of the minority party appointed by the speaker of the house. The commission shall elect a chairman from among its members.*

*Subd. 2. [GENERAL DUTIES.] The commission shall:*

*(a) Contact all other grain producing states and hold discussions with them on the formation of an interstate grain compact.*

*(b) Draw up legislation with other grain producing states that can be jointly*

enacted establishing an interstate grain compact. The proposed legislation shall:

(1) Seek to establish a minimum price for all major grains produced within the grain producing states that guarantees cost of production and a reasonable profit.

(2) Address problems of grain storage surplus, production controls, orderly marketing and other problems that may arise for farmers and other agricultural industries.

(3) Establish an interstate grain compact governing board and spell out the powers of the board in order to insure input by the member states and smooth operation of the grain compact.

*Subd. 3. [COMMODITY PRICE PLAN; REPORT TO LEGISLATURE.] The commission shall develop a plan based on the provisions of subdivision 2 and consistent with long term agricultural goals for Minnesota. The plan shall be reported to the legislature no later than January 20, 1983.*

*Subd. 4. [STAFF.] The commission shall use existing legislative facilities and staff."*

Page 3, line 36, delete "to 5" and insert "and 2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "for" insert "the establishment of a legislative commission on farm commodity prices for"

Page 1, line 4, delete "by fixing a" and insert a period

Page 1, delete lines 5 to 7

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1763: A bill for an act relating to local government; establishing a board to implement and administer a plan for a segment of the Minnesota river in Blue Earth, Brown, Le Sueur, Nicollet, Redwood and Renville counties.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, after "POLICY" insert "DEFINITION"

Page 1, line 9, before "The" insert "Subdivision 1. [POLICY.]"

Page 1, after line 15, insert:

*"Subd. 2. [DEFINITION.] For the purposes of sections 1 to 7, "counties" means the counties of Renville, Redwood, Brown, Nicollet, Blue Earth and Le Sueur, except as otherwise provided in section 7."*

Page 1, line 19, before "The" insert "Except as otherwise provided in section 7,"

Page 1, line 21, before "appointed" delete the comma and insert ". The

*members shall be"*

Page 1, line 22, before the period, insert *"for a term of two years"*

Page 2, line 2, after the period, insert *"A majority of all members of the board constitutes a quorum and a majority vote of all members is required for the board to take any action pursuant to section 4."*

Page 2, line 8, delete everything after *"1981"*

Page 2, line 9, delete *"section 1 and"*

Page 2, line 10, delete *"this act"* and insert *"sections 1 to 6"*

Page 2, line 10, after *"adopt"* insert *"land use"*

Page 2, after line 15, insert:

*"The board shall develop and establish a schedule for implementation and administration of the plan by the counties. The schedule shall be binding on the counties subject to approval by the governing bodies of the respective counties."*

Page 2, line 28, delete *"ordinances"* and insert *"ordinance"*

Page 3, after line 28, insert:

**"Sec. 5. [INCORPORATION AND ANNEXATION.]**

*When land subject to the comprehensive land use plan of the board is annexed, incorporated or otherwise subjected to the land use planning authority of a home rule charter or statutory city, a moratorium shall exist on all subdivision platting and building permits on that land until zoning regulations are adopted for that land which comply with the provisions of the comprehensive plan of the board. The moratorium shall also apply to construction, grading and filling, and vegetative cutting as those activities are defined in the comprehensive plan. This section does not apply to work done pursuant to lawful permits issued before the land became subject to the land use planning authority of the city.*

**Sec. 6. [BIENNIAL REPORT.]**

*During the first year of each biennial legislative session, the board shall prepare and present to the appropriate policy committees of the legislature a report concerning the actions of the board in exercising the authority granted by the legislature pursuant to sections 1 to 6. The report shall include an assessment of the effectiveness of the board's comprehensive land use plan and its implementation in protecting and enhancing the outstanding scenic, recreational, natural, historical, scientific and similar values of the Minnesota River and related shorelands situated within the member counties."*

Page 3, delete lines 30 and 31 and insert:

*"Sections 1 to 6 are effective in the"*

Page 3, line 33, before the period, insert *"upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by all of those counties"*

Page 3, line 33, after the period, insert *"If any of the counties fail to comply with Minnesota Statutes, Section 645.021, Subdivision 3, by October 1, 1982, sections 1 to 6 shall not apply to that county and that portion of the Minnesota*

*River and related shoreland areas within the areas subject to the plan lying within such county is designated under Minnesota Statutes, Section 104.35, Subdivision 4, and shall be managed in accordance with the plan known as "Project Riverbend Fifth Draft, June 1981" as provided in Minnesota Statutes, Sections 104.31 to 104.40."*

Re-number the sections in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

## SECOND READING OF SENATE BILLS

S.F. No. 1763 was read the second time.

## SECOND READING OF HOUSE BILLS

H.F. No. 1555 was read the second time.

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. Benson introduced—

S.F. No. 2203: A bill for an act relating to health; exempting certain drivers of basic life support transportation vehicles from certain requirements; amending Minnesota Statutes 1980, Section 144.804, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Davis introduced—

S.F. No. 2204: A bill for an act relating to education; modifying the definition of teachers for the purpose of licensure; modifying the personnel licensed by the board of teaching and the state board of education; adding a vocational teacher to the board of teaching; requiring the board of teaching to take into consideration vocational education teacher licensure requirements adopted by the state board for vocational education; requiring that rules adopted by the board of teaching shall not affect the validity of certain vocational personnel or the rights and privileges of the holders; amending Minnesota Statutes 1980, Sections 125.03, Subdivision 1; 125.05, Subdivision 1; 125.183, Subdivision 3; 125.185, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 125; repealing Minnesota Statutes 1980, Section 125.03, Subdivision 4.

Referred to the Committee on Education.

Mr. Ulland introduced—

S.F. No. 2205: A bill for an act relating to public welfare; altering eligibility

standards for medical assistance for certain persons; amending Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, as amended.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Tennesen; Peterson, R.W.; Davies; Merriam and Peterson, D.L. introduced—

S.F. No. 2206: A bill for an act relating to data privacy; establishing standards and procedures for the release of financial information; proposing new law coded in Minnesota Statutes, Chapter ....

Referred to the Committee on Judiciary.

Messrs. Tennesen; Merriam; Davies; Peterson, D.L. and Peterson, R.W. introduced—

S.F. No. 2207: A bill for an act relating to data privacy; establishing standards and procedures relating to the release of insurance data; proposing new law coded in Minnesota Statutes, Chapter .....

Referred to the Committee on Judiciary.

Mr. Davis introduced—

S.F. No. 2208: A bill for an act relating to commerce; regulating the substitution of certain fuels sold; requiring the grading and labeling of gasoline; defining a term; prescribing penalties; amending Minnesota Statutes 1980, Sections 325E.01; 325E.09, Subdivisions 3 and 4; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Section 325E.09, Subdivisions 4a to 8.

Referred to the Committee on Commerce.

Mr. Willet introduced—

S.F. No. 2209: A bill for an act relating to the county attorneys council; providing for the disposition of its records and equipment.

Referred to the Committee on Finance.

Messrs. Willet, Humphrey, Stern and Solon introduced—

S.F. No. 2210: A bill for an act relating to transportation; appropriating funds for matching federal funds for continuance of Amtrak service between the Twin Cities and Duluth.

Referred to the Committee on Finance.

Messrs. Davies; Peterson, C.C.; Bernhagen and Merriam introduced—

S.F. No. 2211: A bill for an act relating to taxation; providing that Minnesota itemized deductions shall be federal itemized deductions with certain modifications; amending Minnesota Statutes 1980, Section 290.07, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 19; 290.077, Subdivision 2; 290.09, Subdivisions 1, 2, 3, as

amended, 4, 5, and 6; 290.14; 290.18, Subdivisions 1 and 2; 290.21, Subdivisions 1 and 3; 290.23, Subdivision 5; 290.31, Subdivisions 2 and 3; 290.39, Subdivision 2; 290.92, Subdivision 2a; 290A.16; proposing new law coded in Minnesota Statutes, Chapter 290; repealing Minnesota Statutes 1980, Section 290.09, Subdivisions 22 and 27; Minnesota Statutes 1981 Supplement, Sections 290.09, Subdivisions 10 and 15; 290.21, Subdivisions 3a and 7.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Petty and Knoll introduced—

S.F. No. 2212: A resolution memorializing the President of the United States and the Administrator of the Federal Aviation Administration against any attempt to prohibit local governments from restricting aircraft noise.

Referred to the Committee on Rules and Administration.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Dicklich moved that his name be stricken as a co-author to S.F. No. 1579. The motion prevailed.

Mr. Petty moved that his name be stricken as a co-author to S.F. No. 1579. The motion prevailed.

Mr. Tennessen moved that H.F. No. 1469 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 1449. The motion prevailed.

Mr. Tennessen moved that H.F. No. 716 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 784. 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. Peterson, R. W. in the chair.

After some time spent therein, the committee arose, and Mr. Peterson, R.W. reported that the committee had considered the following:

S.F. No. 1336, which the committee recommends to pass.

S.F. No. 1710, which the committee recommends be returned to the Committee on Transportation.

H.F. No. 2050, which the committee recommends to pass with the following amendment offered by Mr. Luther:

Page 1, line 15, delete "*usual*" and insert "*usually accepted business*"

The motion prevailed. So the amendment was adopted.

On motion of Mr. Peterson, R.W., 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 7:15 p.m. The motion prevailed.

The hour of 7:15 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.

### MOTIONS AND RESOLUTIONS - CONTINUED

#### SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1555 a Special Order to be heard immediately.

H.F. No. 1555: A bill for an act relating to education; providing for aids to education; tax levies, and the distribution of tax revenues; governing the recognition of school district property tax revenues and the computation of levies; granting certain powers and duties to school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; repealing certain administrative rules; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 121.11, Subdivision 12; 121.908, Subdivision 3; 121.912, Subdivisions 2 and 3; 122.90, Subdivision 1; 123.37, Subdivision 1b; 123.741, Subdivision 1; 123.78, Subdivision 1; 124.19, Subdivision 1, and by adding a subdivision; 124.213, Subdivision 2; 124.32, Subdivisions 7 and 10; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivision 1a, as added; 275.125, Subdivisions 2a, 2d, 2e, 5, as amended, 6b, 6c, 7a, 7c, 9, 19, 20, and by adding subdivisions; 275.48; 298.28, Subdivision 1; 475.61, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivisions 5a and 6; 121.904, Subdivisions 4 and 7; 122.531, Subdivision 6; 122.542, Subdivisions 3 and 4; 123.35, by adding a subdivision; 123.702, Subdivisions 1 and 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.2121, Subdivisions 2, 4, and 5, as amended; 124.2122, Subdivisions 1, and 2, as amended; 124.2123, Subdivisions 1, 3, and by adding a subdivision; 124.2124, Subdivisions 1, as amended, and 3; 124.2125, Subdivision 1, as amended; 124.2126, Subdivision 3; 124.2128, Subdivisions 1 and 5; 124.2129, Subdivision 3, and by adding a subdivision; 124.213, Subdivision 2; 124.223; 124.225, as amended; 124.245, Subdivisions 1 and 1a; 124.251; 124.271, Subdivision 2a; 124.32, Subdivisions 1, 1a, and 5; 124.38, Subdivision 7; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 125.611, Subdivision 5; 136A.81, Subdivision 1; 275.125, Subdivisions 8 and 11b; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Article VII, Section 29, as amended; Third Special Session Chapter 2, Article



II, Sections 1, 2, 15, and 20; Article IV, Sections 3, Subdivisions 2 and 3; 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivisions 4a and 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14; 128.05; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8.

Mr. Dieterich moved to amend H. F. No. 1555 the unofficial engrossment, as follows:

Page 68, strike lines 2 and 3

Page 68, line 4, strike "(p)" and insert "(o)"

Page 68, line 5, strike "(q)" and insert "(p)"

Page 68, line 7, strike "(r)" and insert "(q)"

The motion prevailed. So the amendment was adopted.

Mr. Peterson, D. L. moved to amend H. F. No. 1555 the unofficial engrossment, as follows:

Page 63, after line 17, insert:

"Sec. 31. [UNREQUESTED LEAVE OF ABSENCE.]

*The department of education shall evaluate existing law and state board rules governing supervisory and administrative personnel and shall assess whether these laws and rules have resulted in disproportionately small numbers of supervisory and administrative personnel being placed on unrequested leaves of absence, as compared with instructional personnel. The department may recommend changes in law or rule as necessary to insure an equitable balance in placing district personnel on unrequested leaves of absence, which may include consolidation of administrative positions."*

Page 63, line 18, delete "31" and insert "32"

Page 63, line 23, delete "32" and insert "33"

Page 63, line 24, after "30" insert "31,"

Page 63, line 24, delete "31" and insert "32"

The motion prevailed. So the amendment was adopted.

Mr. Rued moved to amend H. F. No. 1555 the unofficial engrossment, as follows:

Page 36, after line 11, insert:

"Sec. 7. [PAYMENT OF INTEREST.]

*The state shall pay interest on any state aids, payments, reimbursements or fund transfers suspended pursuant to Laws 1981, Third Special Session Chapter 2, Article II, Section 13 and which have not been repaid by April 15, 1982. Interest shall begin to accrue on April 15, 1982 and shall be calculated on a daily basis as simple interest on any balance remaining unpaid at a rate equal to the rate of interest on the most recent sale of certificates of indebtedness by the commissioner of finance prior to April 15, 1982, pursuant to Minnesota Statutes 1981 Supplement, Section 16A.671."*

Page 36, line 12, delete "7" and insert "8"

Page 36, line 15, delete "8" and insert "9"

Page 36, line 16, after "3" insert ", 7"

Page 36, line 16, delete "7" and insert "8"

### CALL OF THE SENATE

Mr. Ashbach imposed a call of the Senate for the balance of the proceedings on H.F. No. 1555. The Sergeant at Arms was instructed to bring in the absent members.

The question recurred on the Rued amendment.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Berg	Frederick	Kronebusch	Renneke
Bang	Bernhagen	Frederickson	Lindgren	Rued
Belanger	Brataas	Kamrath	Peterson, D.L.	Sieloff
Benson	Engler	Knutson	Ramstad	

Those who voted in the negative were:

Berglin	Humphrey	Menning	Penny	Stokowski
Bertram	Johnson	Merriam	Peterson, C.C.	Stumpf
Dahl	Knoll	Moe, D. M.	Peterson, R.W.	Tennessee
Davies	Kroening	Moe, R. D.	Purfeerst	Vega
Dicklich	Langseth	Nelson	Schmitz	Waldorf
Dieterich	Lantry	Olhoft	Setzefandt	Willet
Frank	Luther	Pehler	Sikorski	

The motion did not prevail. So the amendment was not adopted.

Mr. Renneke moved to amend H. F. No. 1555 the unofficial engrossment, as follows:

Page 34, delete sections 1 and 2

Renumber the sections of Article IV in sequence

Amend the title as follows:

Page 1, line 9, delete "123.32, Subdivision 1 and by adding a"

Page 1, line 10, delete "subdivision;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Frederickson	Peterson, D.L.	Taylor
Bang	Bertram	Kamrath	Ramstad	Ulland
Belanger	Brataas	Knutson	Renneke	
Benson	Engler	Kronebusch	Rued	
Berg	Frederick	Lindgren	Sieloff	

Those who voted in the negative were:

Berglin	Humphrey	Menning	Peterson, C. C.	Stumpf
Dahl	Johnson	Merriam	Peterson, R. W.	Tennessen
Davies	Knoll	Moe, D. M.	Petty	Vega
Davis	Kroening	Moe, R. D.	Purfeerst	Waldorf
Dicklich	Langseth	Nelson	Setzepfandt	Willet
Dieterich	Lantry	Olhoft	Sikorski	
Frank	Lessard	Pehler	Spear	
Hanson	Luther	Penny	Stokowski	

The motion did not prevail. So the amendment was not adopted.

Mr. Lindgren moved to amend H.F. No. 1555 the unofficial engrossment, as follows:

Page 36, delete lines 7 to 11 and insert:

“Sec. 6. [FUND TRANSFER AUTHORIZED.]

*Notwithstanding the provisions of Minnesota Statutes, Section 121.912, or any other law to the contrary, a school board may transfer unappropriated money in its capital expenditure fund to its general fund. The board may transfer an amount not to exceed the sum of a district's aid reduction pursuant to Laws 1981, Third Special Session, Chapter 2, Article II, Section 2; and any additional reduction made pursuant to section 16A.15, as amended by Laws 1981, Third Special Session, Chapter 2, Article II, Section 3, which the district receives before June 30, 1983. The transfer shall be made before June 30, 1983.”*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Frederickson	Lindgren	Rued
Bang	Brataas	Kamrath	Peterson, D. L.	Sieloff
Belanger	Dahl	Knutson	Purfeerst	Taylor
Benson	Engler	Kronebusch	Ramstad	Ulland
Berg	Frederick	Lessard	Renneke	

Those who voted in the negative were:

Berglin	Hanson	Luther	Pehler	Spear
Bertram	Humphrey	Menning	Penny	Stokowski
Davies	Johnson	Merriam	Peterson, C. C.	Stumpf
Davis	Knoll	Moe, D. M.	Peterson, R. W.	Tennessen
Dicklich	Kroening	Moe, R. D.	Petty	Vega
Dieterich	Langseth	Nelson	Setzepfandt	Waldorf
Frank	Lantry	Olhoft	Sikorski	Willet

The motion did not prevail. So the amendment was not adopted.

### 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. 1555 and that the rules of the Senate be so far suspended as to give H. F. No. 1555, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

H.F. No. 1555 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	Dieterich	Langseth	Penny	Spear
Bang	Engler	Lantry	Peterson, C. C.	Stokowski
Belanger	Frank	Lessard	Peterson, R. W.	Stumpf
Berg	Frederick	Luther	Petty	Taylor
Berglin	Hanson	Menning	Purfeerst	Tennessee
Bernhagen	Humphrey	Merriam	Ramstad	Ulland
Bertram	Johnson	Moe, D. M.	Rued	Vega
Brataas	Kamrath	Moe, R. D.	Schmitz	Waldorf
Dahl	Knoll	Nelson	Setzepfandt	Willet
Davies	Kroening	Olhoft	Sieloff	
Dicklich	Kronebusch	Pehler	Sikorski	

Those who voted in the negative were:

Benson	Frederickson	Lindgren	Peterson, D.L.	Renneke
Davis	Knutson			

So the bill, as amended, passed and its title was agreed to.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

### REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports on 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. 2082: A bill for an act relating to taxation; adjusting the distribution of the production tax to certain taxing jurisdictions; amending Minnesota Statutes 1981 Supplement, Section 298.28, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

#### “ARTICLE I: UPDATE

Section 1. Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 2, 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, 1980.

The term “gross income” in its application to individuals, estates, and trusts shall mean the adjusted gross income 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 subdivision. For estates and trusts the adjusted gross income shall be their federal taxable income 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 subdivision and with the modification that the federal deduction for personal exemptions for trusts and estates shall not be allowed.

(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, sections 131, 133, 134, 141, 152, 156, 157, 405, and 543 of P.L. 95-600, and section 2 of P.L. 96-608 (relating to pensions, individual retirement accounts, deferred compensation plans, the sale of a residence and to conservation payments to farmers) including the amendments made to these sections in P.L. 96-222 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.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1980, and as amended by sections 302(b) and 501 to 509 of Public Law Number 97-34, shall be in effect for taxable years beginning after December 31, 1980 including 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. The provisions of P.L. 96-471 (relating to installment sales) and sections 122, 123, 126, 213, 214, 251, 261, 264, 265, 311, 312, 313, 314, 321(a), 501 to 507, 811, and 812 of the Economic Recovery Tax Act of 1981, Public Law Number 97-34, and section 113 of Public Law Number 97-119 shall be effective at the same time that they become effective for federal income tax purposes.

(v) *The Internal Revenue Code of 1954, as amended through December 31, 1981, shall be in effect for taxable years beginning after December 31, 1981.*

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) A business casualty loss if the taxpayer elected to deduct the loss on the current year's federal income tax return but had deducted the loss on the previous year's Minnesota income tax return;

(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 amount of the federal income tax overpayment shall be reported only to the extent that the amount resulted in a reduction of the tax imposed by this chapter.

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, combined, or separate Minnesota income tax returns. In the case of combined or 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 combined or 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) 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);

(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) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981, the amount allowed under section 167 of the Internal Revenue Code;

(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 40 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;

(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under section 290.08, subdivision 25;

(20) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10);

(21) To the extent excluded from federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of contributions made by the city manager or administrator which is equal to the amount which would have been the city manager's or administrator's employee contribution pursuant to section 353.27, subdivision 2, if he were a member of the public employees retirement association; and

(22) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of section 179 property within the meaning of the Internal Revenue Code of 1954, the amount allowed as a deduction under

~~section 179 of the Internal Revenue Code~~ *The deduction for two-earner married couples provided in section 221 of the Internal Revenue Code of 1954; and*

*(23) Interest on all-savers certificates which is excluded under section 128 of the Internal Revenue Code of 1954.*

(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 60 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 or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether the amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, 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) 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, 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;

(18) Minnesota exempt-interest dividends as provided by subdivision 27;

(19) A business casualty loss which the taxpayer elected to deduct on the current year's Minnesota income tax return but did not deduct on the current year's federal income tax return; and

(20) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);

(21) To the extent included in federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a)(21);

(22) Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25;

(23) Interest earned on a contract for deed entered into for the ~~purchase~~ sale of property for agricultural use if the rate of interest set in the contract is no more than ~~eight~~ nine percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property ~~purchased~~ sold under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(24) For the taxable year beginning after December 31, 1980, but before January 1, 1982, an amount equal to 85 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. For the taxable year beginning after December 31, 1981 but before January 1, 1983, 83 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. The depreciation adjustments made to basis in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981 shall be the depreciation adjustments made for federal income tax purposes under the Internal Revenue Code of 1954, as amended through December 31, 1981. Adoption of this provision

shall not be construed as indicating the intent of the legislature to enact provisions authorizing amortization of the amount of depreciation not excludable under this clause; and

(25) For taxable years beginning after December 31, 1980 but before January 1, 1983, an amount equal to the deduction allowed under section 179 of the Internal Revenue Code of 1954 as amended through December 31, 1981; and

(26) *The penalty on the early withdrawal of an all-savers certificate as provided in section 128(e) of the Internal Revenue Code of 1954 to the extent that the interest was included in income under clause (a)(23).*

(c) A modification affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954 shall be made.

In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under this chapter and at the close of the taxable year immediately preceding the effective election under this chapter 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 chapter.

(d) 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 chapter and 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 chapter.

(e) 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 (or as an offset against the sales price of property in determining gain or loss) in computing the taxable income of the estate or any person unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have the amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 2. Minnesota Statutes 1980, Section 290.067, Subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF CREDIT.] A taxpayer may take as a credit against the tax due from him and his spouse, if any, under this chapter an amount equal to the dependent care credit for which he is eligible pursuant to the provisions of section 44A of the Internal Revenue Code of 1954, as amended through December 31, ~~1979~~ 1981, *except that the applicable percentage of the employment-related expenses shall be 20 percent and subject to the other limitations provided in subdivision 2.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 7, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 8, is amended to read:

Subd. 7. [DEPRECIATION.] (A) [CUMULATIVE DEPRECIATION.] (a) There shall be allowed as a depreciation deduction a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence):

- (1) of property used in the trade or business, or
- (2) of property held for the production of income.

(b) The term "reasonable allowance" as used in clause (a) shall include (but shall not be limited to) an allowance computed in accordance with regulations prescribed by the commissioner, under any of the following methods:

- (1) the straight line method.
- (2) the declining balance method, using a rate not exceeding twice the rate which would have been used had the annual allowance been computed under the method described in paragraph (1).
- (3) the sum of the years-digits method, and
- (4) any other consistent method productive of an annual allowance, which, when added to all allowances for the period commencing with the taxpayer's use of the property and including the taxable year, does not, during the first two-thirds of the useful life of the property, exceed the total of such allowances which would have been used had such allowances been computed under the method described in (2). Nothing in this clause (b) shall be construed to limit or reduce an allowance otherwise allowable under clause (a).

(c) For purposes of this subdivision "reasonable allowance" shall not include the accelerated cost recovery system provisions of section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981, except as provided in this subdivision unless specifically authorized by legislation enacted after the final enactment of this section. In the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981, the term "reasonable allowance" as used in clause (a) shall mean 85 percent of the deduction allowed pursuant to section 168 of the Internal Revenue Code of 1954 for taxable years beginning after December 31, 1980 and before January 1, 1982; and 83 percent of the deduction allowed pursuant to section 168 of the Internal Revenue Code of 1954 for taxable years beginning after December 31, 1981 and before January 1, 1983.

(d) Paragraphs (2), (3), and (4) of clause (b) shall apply only in the case of property (other than intangible property) described in clause (a) with a useful

life of three years or more.

(1) the construction, reconstruction, or erection of which is completed after December 31, 1958, and then only to that portion of the basis which is properly attributable to such construction, reconstruction, or erection after December 31, 1958, or

(2) acquired after December 31, 1958, if the original use of such property commenced with the taxpayer and commences after such date.

(e) Where, under regulations prescribed by the commissioner, the taxpayer and the commissioner have, after June 30, 1959, entered into an agreement in writing specifically dealing with the useful life and rate of depreciation of any property, the rate so agreed upon shall be binding on both the taxpayer and the commissioner in the absence of facts or circumstances not taken into consideration in the adoption of such agreement. The responsibility of establishing the existence of such facts and circumstances shall rest with the party initiating the modification. Any change in the agreed rate and useful life specified in the agreement shall not be effective for taxable years before the taxable year in which notice in writing by certified mail is served by the party to the agreement initiating such change.

(f) In the absence of an agreement under clause ~~(d)~~ (e) containing a provision to the contrary, a taxpayer may at any time elect in accordance with regulations prescribed by the commissioner to change from the method of depreciation prescribed in clause (b) (2) to the method described in clause (b) (1).

(g) The basis on which exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property shall be the adjusted basis provided in sections 290.131 to 290.139, 290.14 and 290.15 *this chapter* for the purpose of determining the gain on the sale or other disposition of such property except that in the case of recovery property within the meaning of section 168 of the Internal Revenue Code as amended through December 31, 1981, for taxable years beginning after December 31, 1980 but before January 1, 1983, the depreciation adjustment to basis shall be the same as the depreciation adjustments under the Internal Revenue Code of 1954 as amended through December 31, 1981.

(h) In the case of property held by one person for life with remainder to another person, the deduction shall be computed as if the life tenant were the absolute owner of the property and shall be allowed to the life tenant. In the case of property held in trust the allowable deduction shall be apportioned between the income beneficiary and the trustee in accordance with the pertinent provisions of the instrument creating the trust, or, in the absence of such provisions, on the basis of the trust income allocable to each. In the case of an estate, the allowable deduction shall be apportioned between the estate and the heirs, legatees, and devisees on the basis of the income of the estate allocable to each.

(i) In the case of buildings or other structures or improvements constructed or made on leased premises by a lessee, and the fixtures and machinery therein installed, the lessee alone shall be entitled to the allowance of this deduction.

(B) [FIRST YEAR DEPRECIATION.] (a) In the case of section 1 property, the term "reasonable allowance" as used in subdivision 7, may, at the election of the taxpayer, include an allowance, for the first taxable year for which a

deduction is allowable under subdivision 7, to the taxpayer with respect to such property, of 20 percent of the cost of such property. For taxable years beginning after December 31, 1980 and before January 1, 1983, in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981, the first year depreciation allowance *the taxpayer shall be allowed the allowance for federal income tax purposes provided* under section 179 of the Internal Revenue Code of 1954, as amended through December 31, 1981.

(b) If in any one taxable year the cost of section 1 property with respect to which the taxpayer may elect an allowance under (a) for such taxable year exceeds \$10,000, then (a) shall apply with respect to those items selected by the taxpayer, but only to the extent of an aggregate cost of \$10,000. In the case of a husband and wife who file a joint return under section 290.38 for the taxable year, the limitation under the preceding sentence shall be \$20,000 in lieu of \$10,000.

(c) (1) The election under this subdivision for any taxable year shall be made within the time prescribed by law (including extensions thereof) for filing the return for such taxable year. The election shall be made in such manner as the commissioner may by regulations prescribe.

(2) Any election made under this subdivision may not be revoked except with the consent of the commissioner.

(d) (1) For purposes of this subdivision, the term "Section 1 property" means tangible personal property (excluding buildings and structures)

(A) of a character subject to the allowance for depreciation under subdivision 7.

(B) acquired by purchase after December 31, 1958, for use in a trade or business or for holding for production of income, and

(C) with a useful life (determined at the time of such acquisition) of six years or more.

(2) For purposes of paragraph (1), the term "purchase" means any acquisition of property, but only if

(A) the property is not acquired from a person whose relationship to the person acquiring it would result in the disallowance of losses under section 290.10(6),

(B) the property is not acquired by one component member of a controlled group from another component member of the same controlled group, and

(C) the basis of the property in the hands of the person acquiring it is not determined

(i) in whole or in part by reference to the adjusted basis of such property in the hands of the person from whom acquired, or

(ii) under section 290.14(4) (relating to property acquired from a decedent).

(3) For purposes of this subdivision, the cost of property does not include so much of the basis of such property as is determined by reference to the basis of other property held at any time by the person acquiring such property.

(4) This subdivision shall not apply to trusts.

(5) In the case of an estate, any amount apportioned to an heir, legatee, or devisee shall not be taken into account in applying (B) of this subdivision to section 1 property of such heir, legatee, or devisee not held by such estate.

(6) For purposes of (B) of this subdivision

(A) all component members of a controlled group shall be treated as one taxpayer, and

(B) the commissioner shall apportion the dollar limitation contained in such (B) among the component members of such controlled group in such manner as he shall by regulations prescribe.

(7) For purposes of paragraphs (2) and (6), the term "controlled group" has the meaning assigned to it by section 1563(a) of the Internal Revenue Code of 1954, as amended through December 31, 1979, except that, for such purposes, the phrase "more than 50 percent" shall be substituted for the phrase "at least 80 percent" each place it appears in section 1563(a)(1) of the Internal Revenue Code of 1954, as amended through December 31, 1979.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 29, is amended to read:

Subd. 29. [DEDUCTIONS ATTRIBUTABLE TO FARMING.] (a) [DEFINITIONS.] For purposes of this subdivision, income and gains and expenses and losses shall be considered as "arising from a farm" if such items are received or incurred in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife, and all operations incident thereto, including but not limited to the common use of "hedging".

(b) [DEDUCTIONS LIMITED.] Except as provided in this subdivision, expenses and losses, except for interest and taxes, arising from a farm shall not be allowed as deductions in excess of income and gains arising from a farm.

(c) [DEDUCTIONS ALLOWED; CARRYOVER DEDUCTIONS.] For taxable years beginning on or after January 1, 1974, Expenses and losses arising from a farm or farms shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first \$15,000 of non-farm gross income, or non-farm taxable net income in the case of a corporation, provided however that in any case where non-farm income exceeds \$15,000, the maximum allowable amount of \$15,000 shall be reduced by twice the amount by which the non-farm income exceeds the amount of \$15,000. For this purpose and for the purpose of applying the limitation in the following paragraph regarding the application of any carryback or carryforward, the term gross income shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1980, and no deduction shall be allowed for two-earner married couples as provided in section 221 of the Internal Revenue Code of 1954, as amended through December 31, 1981. Any remaining balance of the deductions shall be carried back three years and carried forward five years, in chronological order, provided, however, that in any case in which any individual, estate or trust which elects a net operating loss carryforward under section 172(b)(3)(C) of the

Internal Revenue Code of 1954, as amended through December 31, 1980, such losses shall not be carried back but shall only be carried forward.

Current expenses and losses shall be utilized as deductions in any taxable year, to the extent herein allowable, prior to the application of any carryback or carryover deductions. In any event, the combined amounts of such current expenses and losses and carryback or carryover deductions shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first \$15,000 of non-farm gross income, or non-farm taxable net income in the case of a corporation, provided however that in any case where non-farm income exceeds \$15,000, the maximum allowable amount of \$15,000 shall be reduced by twice the amount by which the non-farm income exceeds the amount of \$15,000.

(d) [SHAREHOLDERS SEPARATE ENTITIES.] For purposes of this subdivision, individual shareholders of an electing small business corporation shall be considered separate entities.

(e) [SPECIAL PERIOD OF LIMITATION WITH RESPECT TO FARM LOSS LIMITATION CARRYBACKS.] For the purposes of sections 290.46 and 290.50, if the claim for refund relates to an overpayment attributable to a farm loss limitation carryback under this subdivision, in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period of limitation shall be that period which ends with the expiration of the 15th day of the 46th month (or the 45th month, in the case of a corporation) following the end of the taxable year of the farm loss which results in the carryback. ~~No deduction or refund shall be allowed on 1974 returns for farm losses which have been previously carried back to earlier years and for which a tax refund or reduction has been allowed.~~

(f) [INTEREST ON CLAIMS.] In any case in which a taxpayer is entitled to a refund in a carryback year due to the carryback of a farm loss, interest shall be computed only from the end of the taxable year in which the loss occurs.

(g) [ORDER OF APPLICATION.] The application of this subdivision shall be made after applying any limitation to out of state losses contained in section 290.17.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 290.091, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 9, is amended to read:

#### 290.091 [MINIMUM TAX ON PREFERENCE ITEMS.]

In addition to all other taxes imposed by this chapter there is hereby imposed, a tax which, in the case of a resident individual, shall be equal to 40 percent of the amount of the taxpayer's minimum tax liability for tax preference items pursuant to the provisions of sections 55 to 58 and 443(d) of the Internal Revenue Code of 1954 as amended through December 31, 1980 except that for purposes of the tax imposed by this section, capital gain as defined in section 57(a) of the Internal Revenue Code shall not include that portion of any gain occasioned by sale, transfer or the granting of a perpetual easement pursuant to any eminent domain proceeding or threat thereof as described in section 290.13, subdivision 5. This modification shall apply to the years in which the gain or reduction in loss is actually included in federal adjusted gross income even though amounts received pursuant to the eminent domain pro-



ceedings were received in prior years. In the case of a resident individual, having preference items which could not be taken to reduce income from sources outside the state pursuant to section 290.17, subdivision 1, or any other taxpayer the tax shall equal 40 percent of that federal liability, multiplied by a fraction the numerator of which is the amount of the taxpayer's preference item income allocated to this state pursuant to the provisions of sections 290.17 to 290.20, and the denominator of which is the taxpayer's total preference item income for federal purposes.

*For property placed in service after December 31, 1980, the preference item contained in section 57 (a)(12) of the Internal Revenue Code of 1954, as amended through December 31, 1981, does not apply.*

Sec. 6. Minnesota Statutes 1980, Section 290.16, Subdivision 15, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 11, is amended to read:

Subd. 15. [GAIN FROM DISPOSITIONS OF CERTAIN DEPRECIABLE PROPERTY.] For purposes of this subdivision "depreciable property" shall mean "Section 1245 property" as that phrase is defined in Section 1245(a) (3) of the Internal Revenue Code of 1954, as amended through December 31, ~~1979~~ 1981.

In determining net income of any corporate taxpayer, the gain realized from the disposition of "depreciable property" shall be treated in the same manner as is provided by Section 1245 of the Internal Revenue Code of 1954, as amended through December 31, ~~1979~~ 1981 and regulations adopted pursuant thereto except that the determination shall be made using the basis computed under this chapter.

Sec. 7. Minnesota Statutes 1980, Section 290.16, Subdivision 16, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 12, is amended to read:

Subd. 16. [GAIN FROM DISPOSITION OF CERTAIN DEPRECIABLE REALTY.] For purposes of this subdivision "depreciable realty" shall mean "Section 1250 realty" as that phrase is defined in Section 1250(c) of the Internal Revenue Code of 1954, as amended through December 31, ~~1979~~ 1981.

In determining net income of any corporate taxpayer, the gain realized from the disposition of "depreciable realty" shall be treated in the same manner as is provided by Section 1250 of the Internal Revenue Code of 1954, as amended through December 31, ~~1979~~ 1981, and regulations adopted pursuant thereto except that the determination shall be made using the basis computed under this chapter.

Sec. 8. Minnesota Statutes 1981 Supplement, Section 290.92, Subdivision 15, is amended to read:

Subd. 15. [PENALTIES.] (1) If any tax required to be deducted and withheld under subdivision 2a or subdivision 3, or any portion thereof, is not paid to or deposited with the commissioner within the time specified in subdivision 6 for the payment thereof, there shall be added thereto a penalty equal to ten percent of the amount so remaining unpaid. Such penalty shall be collected as part of said tax, and the amount of said tax not timely paid, together with said

penalty, shall bear interest at the rate specified in section 270.75 from the time such tax should have been paid or deposited until paid. Where an extension of time for payment has been granted under the provisions of subdivision 6, interest shall be paid at the rate specified in section 270.75 from the date when such payment or deposit should have been made if no extension had been granted, until such tax is paid. If payment is not made at the expiration of the extended period the penalties provided in this subdivision shall apply.

(2) In the case of any failure to withhold a tax on wages, make and file quarterly returns or make payments to or deposits with the commissioner of amounts withheld, as required by this section, within the time prescribed by law, unless it is shown that such failure is not due to wilful neglect, there shall be added to the tax in lieu of the penalty provided in paragraph (1) a penalty equal to ten percent of the amount of tax that should have been properly withheld and paid over to or deposited with the commissioner if the failure is for not more than 30 days with an additional five percent for each additional 30 days or fraction thereof during which such failure continues, not exceeding 25 percent in the aggregate. The amount of the tax together with this amount shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid until paid. The amount so added to the tax shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of the negligence, in which case the amount so added shall be collected in the same manner as the tax.

(3) If any employer required to withhold a tax on wages, make deposits, make and file quarterly returns and make payments to the commissioner of amounts withheld, as required by sections 290.92 to 290.97, wilfully fails to withhold such a tax or make such deposits, files a false or fraudulent return, wilfully fails to make such a payment or deposit, or wilfully attempts in any manner to evade or defeat any such tax or the payment or deposit thereof, there shall also be imposed on such employer as a penalty an amount equal to 50 percent of the amount of tax (less any amount paid or deposited by such employer on the basis of such false or fraudulent return or deposit) that should have been properly withheld and paid over or deposited with the commissioner. The amount of the tax together with this amount shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid until paid. The penalty imposed by this paragraph shall be collected as a part of the tax, and shall be in addition to any other penalties civil and criminal, prescribed by this subdivision.

(4) If any person required under the provisions of subdivision 7 to furnish a statement to an employee or payee and a duplicate statement to the commissioner, or to furnish a reconciliation of such statements (and quarterly returns) to the commissioner, wilfully furnishes a false or fraudulent statement to an employee or payee or a false or fraudulent duplicate statement or reconciliation of statements (and quarterly returns) to the commissioner, or wilfully fails to furnish a statement or such reconciliation in the manner, at the time, and showing the information required by the provisions of subdivision 7, or regulations prescribed by the commissioner thereunder, there shall be imposed on such a person a penalty of \$10 for each such act or failure to act. The penalty imposed by this paragraph shall become due and payable within ten days after the mailing of a written demand therefor, and may be collected in the manner prescribed in subdivision 6(8).

(5) In addition to the penalties hereinbefore prescribed, any person required to withhold a tax on wages, make and file quarterly returns and make payments or deposits to the commissioner of amounts withheld, as required by this section, who wilfully fails to withhold such a tax or truthfully make and file such a quarterly return or make such a payment or deposit, shall be guilty of a gross misdemeanor.

(6) In lieu of any other penalty provided by law, except the penalty provided by paragraph (4), any person required under the provisions of subdivision 7 to furnish a statement of wages to an employee and a duplicate statement to the commissioner, who wilfully furnishes a false or fraudulent statement of wages to an employee or a false or fraudulent duplicate statement of wages to the commissioner, or who wilfully fails to furnish such a statement in the manner, at the time, and showing the information required by the provisions of subdivision 7, or regulations prescribed by the commissioner thereunder, shall be guilty of a gross misdemeanor.

(7) Any employee required to supply information to his employer under the provisions of subdivision 5, who wilfully fails to supply information thereunder which would require an increase in the tax to be deducted and withheld under subdivision 2a or subdivision 3, shall be guilty of a misdemeanor.

(8) The term "person," as used in this section, includes an officer or employee of a corporation, or a member or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

(9) All payments received shall be credited first to penalties, next to interest, and then to the tax due.

(10) In addition to any other penalty provided by law, any employee who furnishes a withholding exemption certificate to his employer which the employee has reason to know contains a materially incorrect statement shall be liable to the commissioner of revenue for a penalty of ~~\$400~~ \$500 for each instance. The penalty shall be immediately due and payable and may be collected in the same manner as any delinquent income tax.

(11) In addition to any other penalty provided by law, any employer who fails to submit a copy of a withholding exemption certificate required by subdivision 5a, clause (1)(a), (1)(b), or (2) shall be liable to the commissioner of revenue for a penalty of \$50 for each instance. The penalty shall be immediately due and payable and may be collected in the manner provided in subdivision 6(8).

Sec. 9. Minnesota Statutes 1981 Supplement, Section 290.93, Subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT OF DECLARATION.] (1) Every individual shall, at the time prescribed in subdivision 5 of this section, make and file with the commissioner a declaration of his estimated tax for the taxable year if

(a) The gross income (as defined in section 290.01, subdivision 20) for the taxable year can reasonably be expected to exceed the gross income amounts set forth in section 290.37, subdivision 1 pertaining to the requirements for

making a return; and

(b) Such gross income can reasonably be expected to include more than \$500 from sources other than wages upon which a tax has been deducted and withheld under section 290.92, subdivision 2a or subdivision 3.

(2) If the individual is an infant or incompetent person, the declaration shall be made by his guardian.

(3) Notwithstanding the provisions of this section, no declaration is required if the estimated tax (as defined in subdivision 3) ~~can reasonably be expected to be~~ is less than ~~\$100~~ \$200 for taxable years beginning after December 31, 1981, \$300 for taxable years beginning after December 31, 1982, \$400 for taxable years beginning after December 31, 1983, and \$500 for taxable years beginning after December 31, 1984.

Sec. 10. Minnesota Statutes 1981 Supplement, Section 290.934, Subdivision 4, is amended to read:

Subd. 4. [EXCEPTION.] (a) 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, if a return showing a liability for tax was filed by the corporation for the preceding taxable year and such preceding year was a taxable year of 12 months.

(2) An amount equal to the tax computed at the rates applicable to the taxable year but otherwise on the basis of the facts shown on the return of the corporation for, and the law applicable to, the preceding taxable year.

(3) (A) An amount equal to the tax for the taxable year computed by placing on an annualized basis the taxable income:

(i) for the first two months of the taxable year, in the case of the installment required to be paid in the third month,

(ii) for the first two months or for the first five months of the taxable year, in the case of the installment required to be paid in the sixth month,

(iii) for the first six months or for the first eight months of the taxable year in the case of the installment required to be paid in the ninth month, and

(iv) for the first nine months or for the first 11 months of the taxable year, in the case of the installment required to be paid in the 12th month of the taxable year.

(B) For purposes of this paragraph, the taxable income shall be placed on an annualized basis by

(i) multiplying by 12 the taxable income referred to in subparagraph (A), and

(ii) dividing the resulting amount by the number of months in the taxable

year (2, 5, 6, 8, 9, or 11, as the case may be) referred to in subparagraph (A).

(b) Notwithstanding clause (a) (1) and (2), in the case of a large corporation, the addition to the tax with respect to any underpayment of any installment shall be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of the installment is less than the amount required to be paid on or before the date. The amount required to be paid as estimated tax for the taxable year shall in no event be less than ~~60 percent~~ *the applicable percentage* of (A) the tax shown on the return for the taxable year, or (B) if no return was filed, the tax for the year. The term "large corporation" means any corporation (or any predecessor corporation) which had taxable net income of \$1,000,000 or more for any taxable year during the testing period. The term "testing period" means the three taxable years immediately preceding the taxable year involved. *The term "applicable percentage" means 65 percent for taxable years beginning after April 30, 1982, 75 percent for taxable years beginning after December 31, 1982, and 80 percent for taxable years beginning after December 31, 1983.*

Sec. 11. Minnesota Statutes 1981 Supplement, Section 290A.03, Subdivision 3, is amended to read:

Subd. 3. [INCOME.] (1) "Income" means the sum of the following:

(a) federal adjusted gross income as defined in the Internal Revenue Code of 1954 as amended through December 31, ~~1980~~ 1981; and

(b) the sum of the following amounts to the extent not included in clause (a):

(i) additions to federal adjusted gross income as provided in Minnesota Statutes, Section 290.01, Subdivision 20, Clause (a)(1), (a)(3), (a)(9), (a)(14), ~~and (a)(15), and (a)(22);~~

(ii) all nontaxable income;

(iii) recognized net long term capital gains;

(iv) dividends and interest excluded from federal adjusted gross income under ~~section~~ *sections* 116 or 128 of the Internal Revenue Code of 1954;

(v) cash public assistance and relief;

(vi) any pension or annuity (including railroad retirement benefits, all payments received under the federal social security act, supplemental security income, and veterans benefits), which was not exclusively funded by the claimant or spouse, or which was funded exclusively by the claimant or spouse and which funding payments were excluded from federal adjusted gross income in the years when the payments were made;

(vii) nontaxable interest received from the state or federal government or any instrumentality or political subdivision thereof;

(viii) workers' compensation;

(ix) unemployment benefits;

(x) nontaxable strike benefits; and

(xi) the gross amounts of payments received in the nature of disability income or sick pay as a result of accident, sickness, or other disability, whether funded through insurance or otherwise. In the case of an individual who files an

income tax return on a fiscal year basis, the term "federal adjusted gross income" shall mean federal adjusted gross income reflected in the fiscal year ending in the calendar year.

(2) "Income" does not include

(a) amounts excluded pursuant to the Internal Revenue Code, Sections 101(a), 102, 117, and 121;

(b) amounts of any pension or annuity which was exclusively funded by the claimant or spouse and which funding payments were not excluded from federal adjusted gross income in the years when the payments were made;

(c) gifts from nongovernmental sources;

(d) surplus food or other relief in kind supplied by a governmental agency;

(e) relief granted under sections 290A.01 to 290A.20;

(f) child support payments received under a temporary or final decree of dissolution or legal separation; or

(g) federal adjusted gross income shall be reduced by wage or salary expense, or expense of work incentive programs which are not allowed as a deduction under provisions of section 280C of the Internal Revenue Code of 1954; or

(h) federal adjusted gross income shall be reduced by the amount of the penalty on the early withdrawal of an all-savers certificate as provided in section 128(e) of the Internal Revenue Code of 1954.

#### Sec. 12. [DIRECTION TO REVISOR.]

*In the next edition of Minnesota Statutes, the revisor of statutes shall substitute the phrase "Internal Revenue Code of 1954, as amended through December 31, 1981" for the words "Internal Revenue Code of 1954, as amended through December 31, 1980" wherever the phrase occurs in chapter 290, except section 290.01, subdivision 20.*

#### Sec. 13. [REPEALER.]

*Minnesota Statutes 1980, Section 290.65, Subdivisions 2, 3, 4, 5, 6, and 7 are repealed.*

#### Sec. 14. [EFFECTIVE DATE.]

*Section 1 is effective for taxable years beginning after December 31, 1981, except as otherwise provided. In section 1, the repeal of the language concerning depreciation contained in clauses (a)(16), (a)(22), (b)(24), and (b)(25) and the enactment of new language in clause (a)(16) is effective for property placed in service after December 31, 1980, in taxable years ending after that date. Sections 3, 5, 6, and 7 are effective for property placed in service after December 31, 1980, in taxable years ending after that date, except as otherwise provided. Sections 2, 4, 9, 12, and 13 are effective for taxable years beginning after December 31, 1981. Section 8 is effective on May 1, 1982. Section 10 is effective for taxable years beginning after April 30, 1982. Section 11 is effective for claims based on rent paid in 1981 and subsequent years and property taxes payable in 1982 and subsequent years.*

### ARTICLE II: INCOME TAX DEDUCTION

Section 1. Minnesota Statutes 1981 Supplement, Section 290.18, Subdivision 2, is amended to read:

Subd. 2. [FEDERAL INCOME TAX PAYMENTS AND REFUNDS.] The adjusted gross income shall be computed by deducting from the gross income assignable to this state under section 290.17, the deduction for allowable federal income taxes determined under the provisions of sections 290.09, subdivision 4, 290.10 (8), (9) or (10), and 290.18.

This deduction shall be allowed to individuals, estates, or trusts (i) for taxable years beginning after December 31, 1980 in the taxable year to which the liability applies. Such liability includes the portion of self-employment tax allowed under section 290.10, clause (8). The self-employment tax must be deducted by the person who is deriving the income. When the federal tax liability is joint and several under the computation of a joint federal return of husband and wife, the federal tax liability of spouses filing separate Minnesota returns 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. *If the federal tax liability is joint and several under the computation of a joint federal return and the spouses elect to file separate Minnesota returns on a single form, the federal tax liability may be taken by either or divided between them as they elect.*

(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. 2. [EFFECTIVE DATE.]

*Section 1 is effective for taxable years beginning after December 31, 1981.*

### ARTICLE III: UNITARY TAX

Section 1. Minnesota Statutes 1980, Section 290.095, is amended by adding a subdivision to read:

*Subd. 11. [UNITARY BUSINESSES.] If a taxpayer takes a deduction for a net operating loss carryback which became deductible by the taxpayer as a consequence of the enactment of Laws 1981, Third Special Session Chapter 2, Article III, Sections 13 to 15, the taxpayer shall file amended returns for the years for which the net operating loss is claimed. The amended returns shall be filed as if the provisions of Laws 1981, Third Special Session Chapter 2, Article III, Sections 13 to 15, were in effect at that time.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 290.21, Subdivision 4, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 14, is amended to read:

Subd. 4. (a) 85 percent of dividends received by a corporation during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or when the trade or business of the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such other corporation, and the dividends were paid from income arising out of business done in this state by the corporation paying such dividends; but if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the remainder shall be allowed as a deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof; the burden shall be on the taxpayer of showing that the amount of remainder claimed as a deduction has been received from income arising out of business done in this state,

(b) if the trade or business of the taxpayer consists principally of the holding of the stocks and the collection of the income and gains therefrom, dividends received by a corporation during the taxable year from another corporation, if the recipient owns 80 percent or more of all the voting stock of such other



corporation, from income arising out of business done in this state by the corporation paying such dividends; but, if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the dividends shall be allowed as deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof. The burden shall be on the taxpayer of showing that the amount of dividends claimed as a deduction has been received from income arising out of business done in this state.

(c) The dividend deduction provided in this subdivision shall be allowed only with respect to dividends that are included in a corporation's Minnesota taxable net income for the taxable year.

(d) In the case of a corporation, which is permitted or required to file a combined report under section 290.34, subdivision 2, dividends shall be excluded from the income of the recipient to the extent the dividends are already included as income on the combined report. *If dividends received by a corporation that does not have nexus with Minnesota under the provisions of Public Law 86-272 are included as income on the return of an affiliated corporation permitted or required to file a combined report under section 290.34, subdivision 2, then for purposes of this subdivision the determination as to whether the trade or business of the corporation consists principally of the holding of stocks and the collection of income and gains therefrom shall be made with reference to the trade or business of the affiliated corporation having a nexus with Minnesota.*

Sec. 3. Laws 1981, Third Special Session Chapter 2, Article III, Section 22, is amended to read:

Sec. 22. [EFFECTIVE DATE.]

Sections 1 and 19 to 21 are effective February 1, 1982. The provision of section 2 relating to commodity tax straddles and section 7 are effective for taxable years beginning after December 31, 1980. The provisions of section 2 relating to the exclusion of dividend and interest income are effective for taxable years beginning after December 31, 1981. Section 2, clauses (a)(22), (b)(24), the portion of clause (a)(16) relating to recovery property, (b)(25), and sections 8, 11, and 12 are effective for property placed in service after December 31, 1980 in taxable years ending after that date. Section 2, clauses (a)(17), (b)(2), the portion of clause (a)(16) relating to gain from the sale or disposition of property and section 9 are effective for the sale or other disposition of property after June 30, 1982. Section 6 is effective for taxable years beginning after December 31, 1981. Section 10 is effective for the sale or other disposition of property after December 31, 1982. Sections 13, 14, and 15 are effective for ~~income earned after December 31, 1981~~ *taxable years beginning after June 30, 1981*. Section 16 is effective for taxable years beginning after December 31, 1981. Sections 17 and 18 are effective for petitions filed after January 31, 1982.

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective for taxable years beginning after June 30,*

1981.

## ARTICLE IV: RESEARCH AND DEVELOPMENT CREDIT

Section 1. Laws 1981, Third Special Session Chapter 2, Article III, Section 6, is amended to read:

Sec. 6. [290.068] [CREDIT FOR RESEARCH AND EXPERIMENTAL EXPENDITURES.]

Subdivision 1. [CREDIT ALLOWED.] In addition to the deduction provided in section 290.09 or 290.21, subdivision 3, a credit shall be allowed against the tax imposed by this chapter for the taxable year equal to ten percent of research and experimental expenditures paid or incurred in Minnesota during the taxable year:

- (a) 12.5 percent of the first \$2 million of the excess (if any) of
  - (1) the qualified research expenses for the taxable year, over
  - (2) the base period research expenses; and
- (b) 6.25 percent on all of such excess expenses over \$2 million.

Subd. 2. [DEFINITION.] For purposes of this section, the following terms have the meanings given.

(a) "Qualified research and experimental expenditures expenses" means expenditures incurred in Minnesota which qualify for the deduction provided in section 290.09, subdivision 18, to the extent the expenditures exceed the average of the three preceding taxable years' qualifying expenditures under section 290.09, subdivision 18, incurred in Minnesota. If the taxpayer has not conducted trade or business in Minnesota for the three preceding taxable years, the average expenditures incurred shall be determined by dividing the expenditures by the lesser number of complete prior taxable years. If there has been less than one prior taxable year of trade or business conducted in Minnesota the average expenditures for the three preceding taxable years shall be zero (i) qualified research expenses as defined in section 44F(b) and (e) of the Internal Revenue Code, except it shall not include expenses incurred for basic research conducted outside the state of Minnesota pursuant to section 44F(e); or (ii) contributions to a nonprofit corporation established and operated pursuant to the provisions of chapter 317 for the purpose of promoting the establishment and expansion of business in this state, provided the contributions are invested by the nonprofit corporation for the purpose of providing financing for small, technologically innovative enterprises in Minnesota during the early stages of their development; or (iii) contributions to Minnesota post-secondary educational institutions to be used to finance research intended to benefit businesses making use of new technologies.

(b) "Qualified research" means qualified research as defined in section 44F(d) of the Internal Revenue Code, except that the term shall not include qualified research conducted outside the state of Minnesota.

(c) "Base period research expenses" means base period research expenses as defined in section 44F(c) of the Internal Revenue Code, except that "December 31, 1981" shall be substituted for "June 30, 1981" in subparagraph (B) of paragraph (2).

(d) "Internal Revenue Code" means the Internal Revenue Code of 1954, as

*amended through December 31, 1981.*

Subd. 3. [LIMITATION; CARRYBACK AND CARRYOVER.] (a)(1) The credit for the taxable year shall not exceed \$300,000 or ten percent of the liability for tax, whichever is less. "Liability for tax" for purposes of this section means the tax imposed under this chapter for the taxable year reduced by the sum of the credits allowed under section 290.06, except the credit allowed under section 290.06, subdivision 13.

(2) *In the case of an individual who*

(A) *owns an interest in an unincorporated business,*

(B) *is a partner in a partnership,*

(C) *is a beneficiary of an estate or trust, or*

(D) *is a shareholder in a small business corporation, having a valid election in effect under section 1372 of the Internal Revenue Code,*

*the credit allowed for the taxable year shall not exceed the lesser of the amount determined under clause (1) for the taxable year or an amount (separately computed with respect to such person's interest in the trade or business or entity) equal to the amount of tax attributable to that portion of a person's taxable income which is allocable or apportionable to the person's interest in the trade or business or entity.*

(b) *If the amount of the credit determined under subdivision 2 this section for any taxable year exceeds this the limitation under clause (a), the excess shall be a research credit carryback to each of the three preceding taxable years and a research credit carryover to each of the seven 15 succeeding taxable years, provided the aggregate of the credit for the taxable year and any carryover and carryback credits shall not exceed \$300,000 or ten percent of the liability for tax, whichever is less. The entire amount of the excess unused credit for the taxable year shall be carried first to the earliest of the taxable years to which the credit may be carried and then to each successive year to which the credit may be carried. The amount of the unused credit which may be added under this clause shall not exceed the taxpayer's liability for tax less the research credit for the taxable year.*

Subd. 4. [SMALL BUSINESS CORPORATIONS; PARTNERSHIPS.] *In the case of small business corporations, having a valid election in effect, under section 1372 of the Internal Revenue Code of 1954, estates and trusts, and partnerships, the credit shall be allocated in the same manner provided by section 44F(f)(2) of the Internal Revenue Code.*

Subd. 5. [ADJUSTMENTS; ACQUISITIONS AND DISPOSITIONS.] *If a taxpayer acquires or disposes of the major portion of a trade or business or the major portion of a separate unit of a trade or business in a transaction with another taxpayer, the taxpayers' qualified research expenses and base period shall be adjusted in the same manner provided by section 44F(f)(3) of the Internal Revenue Code, except that "December 31, 1980" shall be substituted for "June 30, 1980."*

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective for taxable years beginning after December 31, 1981.*

ARTICLE V: ENERGY CREDITS

Section 1. Minnesota Statutes 1981 Supplement, 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, 1980 1981, and any regulations promulgated pursuant thereto, provided that, after December 31, 1980, any solar collector included in the claimed expenditure is certified by the 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; 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 adopted by the commissioner of revenue in cooperation with the 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 1989.

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, 1980 1981. "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) and (10), (d) (1) to (3), and (e), of the Internal Revenue Code of 1954, as amended through December 31, 1980 1981, and any regulations promulgated pursuant thereto.

The commissioner of revenue in cooperation with the commissioner of energy, planning and development shall 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 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 department of energy, planning and development who receive informa-

tion furnished by a taxpayer for purposes of claiming this credit.

The commissioner of energy, planning and development shall 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 commissioner of energy, planning and development may 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~~ 1986.

## ARTICLE VI: LEVY LIMITS

Section 1. Minnesota Statutes 1981 Supplement, Section 275.50, Subdivision 2, is amended to read:

Subd. 2. [GOVERNMENTAL SUBDIVISION.] "Governmental subdivision" means ~~any~~ a county, home rule charter city, statutory city, or town ~~or special taxing district determined by the department of revenue~~ except a town that has a population of less than 2,500 according to the most recent federal census, provided that the population of an incorporated municipality located within the boundaries of a town is not included in the population of the town. The term does not include school districts ~~or the metropolitan transit commission created pursuant to section 473.404~~ or special taxing districts.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 275.50, Subdivision 5, as amended by Laws 1981, Third Special Session Chapter 2, Article IV, Section 9, is amended to read:

Subd. 5. [SPECIAL LEVIES.] Notwithstanding any other law to the contrary for taxes levied in 1982 payable in 1983 and subsequent years, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, but only to the extent of the increase in levy for such judgments and out of court settlements over levy year 1970, taxes payable in 1971;

(b) pay the costs of complying with any written lawful order initially issued prior to January 1, 1977 by the state of Minnesota, or the United States, or any agency or subdivision thereof, which is authorized by law, statute, special act or ordinance and is enforceable in a court of competent jurisdiction, or any stipulation agreement or permit for treatment works or disposal system for pollution abatement in lieu of a lawful order signed by the governmental subdivision and the state of Minnesota, or the United States, or any agency or subdivision thereof which is enforceable in a court of competent jurisdiction. The commissioner of revenue shall, in consultation with other state departments and agencies, develop a suggested form for use by the state of Minnesota, its agencies and subdivisions in issuing orders pursuant to this subdivision;

(c) pay the costs to a governmental subdivision for their ~~minimum required~~ *its 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, excluding the administrative costs of public assistance programs, to the extent of the increase in levy for the taxes payable year 1983 and subsequent years over the amount levied for the local share of the program for the taxes payable year 1971. This clause shall apply only to those programs or projects for which matching funds have been designated by the state of Minnesota or the United States on or before September 1, of the previous year and only when the receipt of these matching funds is contingent upon the initiation or implementation of the project or program during the year in which the taxes are payable or those programs or projects approved by the commissioner 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 sections 15.0411 to 15.052;*

(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 in the previous year;~~

(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 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;

(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;

(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 the amounts required by law to be paid to pay the interest on and to reduce the unfunded accrued liability of public pension funds in accordance with the actuarial standards and guidelines specified in sections 356.215 and 326.216 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) pay the amounts allowed under section 174.27 to establish and administer a commuter van program;

(q) pay the costs of financial assistance to local governmental units and certain administrative, engineering, and legal expenses pursuant to Laws 1979, Chapter 253, Section 3;

(r) compensate for revenue lost as a result of abatements or court action pursuant to sections 270.07, 270.17 or 278.01 due to a reassessment ordered by the commissioner of revenue pursuant to section 270.16;

(s) pay the 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 means the net income or loss of the 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" is 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, and (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 qualifies 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;

(t) pay the cost to a governmental unit of implementing section 18.023, including sanitation and reforestation, as defined in section 18.023, subdivision 1;

(u) pay the cost of acquisition or betterment of property for which bonds could have been issued pursuant to section 475.52, subdivision 1, to the extent that the acquisition or betterment was paid for with funds not obtained by the issuance of obligations of the municipality. When an amount is levied pursuant to this clause, the municipality shall be subject to the procedures for public hearings and referendums established in chapter 412 or 475 or special law, whichever is applicable, that would have applied if the municipality had issued obligations to pay for the property. Any amount levied pursuant to this clause shall be added to the net debt of the municipality for the year in which the tax is payable for the purpose of computing the limitation in section 475.53;

(v) pay the cost of conducting any election required to be held by state law except city or county elections that are not held on the first Tuesday after the first Monday in November in any year;

The special levies established in Laws 1981, First Special Session Chapter 1, Article V, Sections 10, 11, and 12, or in any other general or special law enacted in the 1981 session of the legislature shall continue to be levied outside of the levy limits set in sections 275.50 to 275.56.

Sec. 3. Minnesota Statutes 1980, Section 275.51, is amended by adding a subdivision to read:

Subd. 3f. [LEVY LIMIT CALCULATION.] The property tax levy limitation for governmental subdivisions in 1982 for taxes payable in 1983 and subsequent years shall be calculated as follows:

(a) A hypothetical levy limit base for taxes levied in 1981, payable in 1982, shall be computed according to the provisions of Minnesota Statutes 1980, Sections 275.51, Subdivision 3d, Clauses (a)(5), (b), (c), and (d), and 275.52; except that, for a municipality that had been exempt from the provisions of Minnesota Statutes 1980, Sections 275.50 to 275.56, but is subject to the limitations of sections 275.50 to 275.56, the hypothetical levy limit base shall

be the greater of (a) the average of the municipality's levies for levy years 1977, 1978, 1979, 1980, and 1981, with the levy for each year increased according to the percentage of increase in the consumer price index for all the urban consumers for Minneapolis-St. Paul metropolitan area prepared by the United States department of labor from June of that levy year to June of 1981 or (b) the municipality's levy for levy year 1981.

(b) For taxes levied in 1982, payable in 1983 and thereafter, the amount computed pursuant to clause (a) shall be increased annually in the manner provided in section 5 to derive the levy limit base for successive years. Any amount levied in 1976 payable 1977 under the provisions of Minnesota Statutes 1976, Section 275.50, Subdivision 5, Clause (a), (c), (d), (e) or (f) to meet the costs of programs, services or legal requirements which cease to exist in a subsequent year shall be subtracted from the levy limit base in the year in which the programs, services or legal requirements for which the levy was made cease to exist.

(c) One-half of the amount of the special levy authorized under section 275.50, subdivision 5, clause (m), shall be added to the permanent levy limit base of the governmental subdivision in the year following the year in which it has been discontinued as a special levy pursuant to the provisions of section 275.50, subdivision 5, clause (m).

(d) The levy limit base shall be reduced by the total amount of state aids paid pursuant to sections 477A.011 to 477A.015 and taconite taxes and aids paid pursuant to sections 294.26; 298.26; 298.28, subdivision 1; 298.282 and state reimbursements for wetlands and native prairie property tax exemptions provided in section 272.02, subdivision 1, clauses (15) and (16); and the payments in lieu of taxes to a county pursuant to section 477A.12 which are required to be used to provide property tax levy reduction, to be paid in the calendar year in which property taxes are payable. One cent per taxable ton of the amount distributed under section 298.28, subdivision 1, clause (4)(c), shall not be deducted from the levy limit base of the counties that receive that aid. The resulting figure is the amount of property taxes which a governmental subdivision may levy for all purposes other than those for which special levies and special assessments are made.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 275.51, Subdivision 4, is amended to read:

Subd. 4. [REDUCTION IN FORMULA AIDS.] 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 the 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~~ sections 477A.011 to 477A.015, 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 more than 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 is no official newspaper, in a newspaper of general circulation in the governmental subdivision, together

with a notice fixing a date for a public hearing on the proposed increase. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the governing body may determine to take no further action or, in the alternative, adopt a resolution authorizing the levy as originally proposed or approving a levy in the lesser amount it 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 is no official newspaper, in a newspaper of general circulation in the governmental subdivision. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the governmental subdivision in the last general election or 2,000 voters, whichever is less, requesting a referendum on the proposed resolution is filed with the clerk or recorder of the governmental subdivision if the governmental subdivision is a city or town, or with the county auditor if the governmental subdivision is a county, the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. A levy approved at a referendum held at a special or general election held prior to October 1 in any levy year increases the allowable levy in that 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 the 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 levy year and subsequent distributions required to be made by the commissioner of finance from any formula aids pursuant to sections 477A.011 to 477A.015, shall be reduced 15 cents for each full dollar by which the levy exceeds the limitation. The provisions of this subdivision apply to the levy of a metropolitan county before the reduction required pursuant to section 163.051, subdivision 5.

Sec. 5. [275.521] [TAX LIMITATION INCREASES AND DECREASES.]

*Subdivision 1. [INCREASES.]* A limitation prescribed by section 275.51 upon the amount of taxes which may be levied by a governmental subdivision may be increased in the manner and to the extent permitted by this section.

*Subd. 2. [MAXIMUM PERCENTAGE INCREASE.]* The levy limit base of a governmental subdivision, as adjusted for previous increases pursuant to this section, may be increased each year by the governing body in the amount not to exceed eight percent.

*Subd. 3. [POPULATION INCREASES.]* If the population of any governmental subdivision increases from one year to the next, the current year's levy limit base shall, for purposes of sections 275.50 to 275.56, be increased by an amount equal to the levy limit base per capita for the previous year increased pursuant to subdivision 2 times the current year's population.

*Subd. 3a. [HOUSEHOLD INCREASES.]* If the number of households in a governmental subdivision increases from one year to the next in a greater proportion than the population has increased during that time, the current year's levy limit base may for purposes of sections 275.50 to 275.56, be

increased according to the provisions of this subdivision in lieu of the increase provided in subdivision 3. The levy limit base for the preceding levy year shall be divided by the number of households in the municipality in that previous year to obtain a levy limit base per household amount. The levy limit base per household amount shall be multiplied by the number of households in the municipality in the current levy year to determine the amount of the base increase allowed pursuant to this subdivision. The number of households shall be determined according to the most recent decennial census, with annual increases, if any, determined for municipalities in the metropolitan area defined in section 473.121, subdivision 2, by the metropolitan council and for other municipalities according to the number of building permits for residential units issued for construction in that municipality.

*Subd. 4. [REASONS FOR LEVY LIMIT BASE INCREASES.] The levy limit base of a governmental subdivision may be increased upon approval by the levy limit review board established in section 275.5511, for the following reasons:*

*(a) Any governmental subdivision which spent money from its surplus funds for nonspecial levy purposes in calendar year 1971 may have its levy limit base increased by no more than the amount of revenue it used from surplus funds for nonspecial levy purposes in calendar year 1971;*

*(b) Any governmental subdivision which has been required to provide new or substantially expanded services because of changes in state law, whether or not the changed law directly mandates new services, may have its levy limit base increased by no more than the amount required to finance the services, provided that the services may not be financed by special levies or special assessments. For purposes of this clause, "substantially expanded services" shall mean services of a type provided prior to the enactment of the change in state law but which are required to be provided under the changed law to an extent that will increase the cost of providing that type of service by 30 percent or more;*

*(c) Any governmental subdivision which has been required to provide new or expanded services because of annexations, consolidations, mergers or new incorporations since 1970 may have its levy limit base increased by no more than the amount required to finance the general operating costs involved in the services; and*

*(d) Any city or township having statutory city powers which has a levy limit base per capita that is below 85 percent of the arithmetic average of the levy limit bases per capita for cities and townships subject to the levy limitations of sections 275.50 to 275.58 in the same county may have its levy limit base increased by no more than the amount required to bring its levy limit base per capita up to 85 percent of the arithmetic average of levy limit bases per capita for all cities and townships subject to the levy limitations of sections 275.50 to 275.58 in the county which are governed by the provisions of sections 275.50 to 275.58. On or before July 1 each year, the commissioner of revenue shall certify the average levy limit base per capita for each county for purposes of this clause. If a city or township has received a levy limit base adjustment from the levy limit review board prior to June 1, 1979, that city or township may also qualify for a base adjustment in accordance with this clause.*

*Any governmental subdivision which desires to have its levy limit base*

adjusted under the provisions of this subdivision shall apply to the commissioner of revenue, who shall submit all applications to the levy limit review board established in section 275.5511. Applications shall be in the form and accompanied by the data required by the levy limit review board. Adjustments authorized by the levy limit review board shall become a permanent part of the levy limit base for the governmental subdivision. The levy limit review board may authorize only one levy limit base adjustment for any governmental subdivision under clauses (a), (c), or (d) of this subdivision.

**Subd. 5. [CERTAIN CITIES; COUNTIES AND TOWNS.]** A city other than a city of the first class, town, or county not containing a city of the first class which, in the preceding levy year, levied at least 98 percent of its total limited levy amount, may determine to levy in excess of the limitation provided in sections 275.50 to 275.56, by no more than ten percent of its levy limit base by passing a resolution setting forth the amount by which the levy limit is proposed to be exceeded. The resolution shall be published for four successive weeks in the official newspaper of the governmental subdivision or if there is no official newspaper, in a newspaper of general circulation in the governmental subdivision, together with a notice fixing a date for a public hearing on the proposed increase. The hearing shall be held not less than four weeks nor more than six weeks after the first publication of the resolution. Following the public hearing, the governing body may determine to take no further action or, in the alternative, adopt a resolution authorizing the levy as originally proposed or approving a levy in the lesser amount it determines. The resolution shall be published in the official newspaper of the governmental subdivision or if there is no official newspaper, in a newspaper of general circulation in the governmental subdivision. 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 is not effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. A levy increased pursuant to this subdivision, whether not challenged or approved at a referendum held at a special or general election held prior to October 1 in any levy year, increases the allowable levy in that same levy year and provides a permanent adjustment to the levy limit base of the governmental subdivision for future levy years. There shall be no reduction in distributions of formula aids to the governmental subdivision as a result of the additional levy.

The excess levy authorized by this subdivision is a one-time levy adjustment to the levy limit base. If an adjustment was made after June 3, 1977, pursuant to this subdivision, in an amount less than ten percent of the base, calculated at the time of the adjustment, an additional adjustment to the current levy limit base is authorized in an amount equal to ten percent less the percent by which it was previously adjusted.

**Sec. 6. [275.531] [GOVERNING CENSUS.]**

**Subdivision 1. [MOST RECENT POPULATION FIGURES.]** 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 sections 477A.011 to 477A.015, the population of the governmental subdivision is that established by the last federal census, by a census taken pursuant to subdivision 2, by a population estimate made by the metropolitan council, or by the 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 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.

Subd. 2. [SPECIAL CENSUS.] The governing body of a governmental subdivision may, in any year, contract with the United States bureau of the census to take a special census of that governmental subdivision to determine the current population of the governmental subdivision for the purpose of computing the amount of tax that it may levy or aid to be received pursuant to sections 477A.011 to 477A.015. The expense of taking the census shall be paid by the governmental subdivision in which the census is taken.

Subd. 3. [NOTICE OF INCREASED POPULATION ESTIMATE.] (a) In any year in which the population estimate for a governmental subdivision provided by the state demographer 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 the subdivision a petition demanding a special census.

(c) An affidavit shall be attached to the petition executed by the person circulating the petition, stating that the person personally circulated the petition, the number of signatures thereon, that all signatures were affixed in the person's presence and that the person believes 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.

Subd. 4. [CHALLENGE OF ESTIMATES.] In any year in which the annual population estimate of the state demographer 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 of its objections to the estimate by June 1. If the governing body of the governmental subdivision and the state demographer agree on a revised population estimate by July 1, the revised estimate is the annual population estimate of the state demographer for that governmental subdivision for that year.

Sec. 7. [275.553] [LEVY LIMITATIONS REVIEW BOARD.]

*Subdivision 1. [CREATION; MEMBERS.] A levy limitations review board is hereby created to resolve questions concerning administrative interpretation of sections 275.50 to 275.56 that require review and to hear appeals by governing bodies of governmental subdivisions who disagree with the administrative rulings issued by the commissioner of revenue pursuant to section 275.55.*

*The members of the review board are the commissioner of revenue, the chairman of the Minnesota municipal board and one public member appointed by the governor, with the approval of the senate.*

*The public member shall be a citizen of the state who is knowledgeable in finance and local government. The public member shall not, at the time he is a member of the board, hold any other public office, or be employed by or represent a governmental subdivision, or have any personal financial interest in any contract with a governmental subdivision, or serve in any capacity where a conflict of interest could arise.*

*Subd. 2. [TERMS; COMPENSATION; REMOVAL; VACANCIES.] The membership term, compensation, removal, and filling of vacancies for the public member on the board shall be as provided in section 15.0575.*

Sec. 8. [275.554] [CONTESTED CASES; HEARING; NOTICE, EVIDENCE, DECISIONS, ORDERS.]

*The governing body of a governmental subdivision to whom a notice is given pursuant to section 275.55 may by a majority vote of the whole governing body decide to dispute the commissioner's administrative action. Unless notice of the decision is given to the commissioner within 30 days of the issuance of the commissioner's notice, the commissioner's decision is final and not subject to the review of the levy limitations review board. Upon receipt of a notice from a governmental subdivision within the time allowed, disputing the commissioner's administrative action, the commissioner shall conduct a further investigation of the disputed issues of fact as he deems necessary. If the commissioner continues to adhere to his previous notice, the governing body of the governmental subdivision shall be entitled to a hearing before the levy limitations review board. The board shall set a time and place for the hearing and notice shall be given by mail to the governing body of the governmental subdivision. The board shall adopt rules governing the proceedings for hearings which shall afford all interested parties the opportunity to present evidence and arguments with respect to the contested issues of fact. The decision of the board shall be in writing, and shall state in detail the basis and reason for each conclusion upon each contested issue of fact. A copy of the decision and order together with the detailed reasons shall be delivered or mailed to the governmental subdivision or its attorney of record. The decision of the levy limitations review board under this section may be reviewed on certiorari by the district court of the county wherein all or a part of the governmental subdivision is located.*

Sec. 9. Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 15b, as amended by Laws 1981 Third Special Session Chapter 1, Article I, Section 2, is amended 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, excluding any amount levied pursuant to section 275.50, subdivision 5, clause (k), 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 for the preceding year. If the ~~payable 1982~~ total current levy excluding any amount levied pursuant to section 275.50, subdivision 5, clause (k), of ~~such~~ the taxing district is more than 108 percent of its ~~payable 1981~~ total levy for the preceding year, then that total mill rate shall be based on 108 percent of the taxing district's ~~payable 1981~~ total levy for the preceding year, plus any amount levied pursuant to section 275.50, subdivision 5, clause (k), for taxes payable in 1982. The commissioner of revenue shall determine and certify to all county auditors the product of each taxing district's ~~payable 1981~~ total levy for the preceding year multiplied by 108 percent, plus any amount levied pursuant to section 275.50, subdivision 5, clause (k), for taxes payable in ~~1982~~ the current year. ~~In the event that~~ If 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. 10. Minnesota Statutes 1981 Supplement, Section 477A.04, Subdivision 2, is amended to read:

Subd. 2. Beginning in calendar year ~~1983~~ 1984 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. 11. [REPEALER.]

*Minnesota Statutes 1981 Supplement, Section 275.51, Subdivision 3e, as amended by Laws 1981, Third Special Session Chapter 2, Article IV, Section 11, is repealed.*

Sec. 12. [EFFECTIVE DATE.]

*Sections 1 to 6, and 8 to 11 are effective for taxes levied in 1982, payable in 1983 and thereafter. Section 7 is effective the day following final enactment.*

## ARTICLE VII: LEASEHOLD COOPERATIVES

Section 1. Minnesota Statutes 1980, Section 273.133, is amended by adding a subdivision to read:

Subd. 3. [LEASEHOLD COOPERATIVES.] *When one or more dwellings or one or more buildings which each contain several dwelling units is owned by a nonprofit corporation subject to the provisions of chapter 317 or a limited partnership which corporation or partnership operates the property in conjunction with a cooperative association, homestead treatment, as provided*

*under section 273.13, subdivision 7, may be claimed for each dwelling unit occupied by a member of the cooperative. To qualify for the treatment provided by this subdivision, the following conditions shall be met: (a) the cooperative association must be organized under sections 308.05 to 308.18; (b) the cooperative association must have a lease for occupancy of the property for a term of at least 20 years; (c) the cooperative association must have a right under a written agreement with the owner to purchase the property if the owner proposes to sell it; if the cooperative association does not purchase the property when it is offered for sale, the owner may not subsequently sell the property to another purchaser at a price lower than the price at which it was offered for sale to the cooperative association unless the cooperative association approves the sale; and (d) if a limited partnership owns the property, it must include as the managing general partner either the cooperative association or a nonprofit organization operating under the provisions of chapter 317. Homestead treatment shall be afforded to units occupied by members of the cooperative association and the units shall be assessed as provided in subdivision 1, provided that any unit not so occupied shall be classified and assessed pursuant to section 273.13, subdivision 19. No more than three acres of land shall, for assessment purposes, be included with each dwelling unit that qualifies for homestead treatment under this subdivision.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 290A.03, Subdivision 12; is amended to read:

Subd. 12. [GROSS RENT.] "Gross rent" means rental paid solely for the right of occupancy, at arms-length, of a homestead, exclusive of charges for any utilities, services, furniture, or furnishings furnished by the landlord as a part of the rental agreement, whether expressly set out in the rental agreement or not. If the landlord and tenant have not dealt with each other at arms-length and the commissioner determines that the gross rent charged was excessive, he may adjust the gross rent to a reasonable amount for purposes of sections 290A.01 to 290A.20.

If the landlord does not supply the charges for any utilities, furniture, or furnishings furnished by him, or if the charges appear to be incorrect the commissioner may apply a percentage determined from samples of similar gross rents paid solely for the right of occupancy.

Any amount paid by a claimant residing in property assessed pursuant to section 273.133 for occupancy in that property shall be excluded from gross rent for purposes of this chapter. However, property taxes imputed to the homestead of the claimant or the dwelling unit occupied by the claimant that qualifies for homestead treatment pursuant to section 273.133 shall be included within the term "property taxes payable" as defined in subdivision 13, notwithstanding the fact that ownership is not in the name of the claimant.

Sec. 3. [EFFECTIVE DATE.]

*Section 1 is effective for taxes levied in 1982 and thereafter, payable in 1983 and thereafter.*

#### ARTICLE VIII: NEIGHBORHOOD REAL ESTATE TRUSTS

Section 1. Minnesota Statutes 1980, Section 273.13, Subdivision 17d, is amended to read:

Subd. 17d. [NEIGHBORHOOD REAL ESTATE TRUSTS.] When a

structure, consisting of one or more dwelling units, is land and improvements or unimproved land are owned by a neighborhood real estate trust and at least 60 percent of the dwelling units, if any, on all land owned by the trust are leased to or occupied by a lower income family as defined by section 8 of the United States Housing Act of 1937, as amended families, the structure land and improvements, if any, shall be assessed at 20 percent of the market value. This subdivision shall not apply to any portion of the structure land or improvements used for nonresidential purposes.

*For purposes of this subdivision, a lower income family is a family with an income that does not exceed 65 percent of the median family income for the area as determined by the U.S. Secretary of Housing and Urban Development.*

For purposes of this subdivision, neighborhood real estate trust means an entity which is certified by the governing body of the municipality in which it is located to have the following characteristics: (a) it is a nonprofit corporation organized under chapter 317; (b) it has as its principal purpose providing housing for lower income families in a specific geographic community designated in its articles or bylaws; (c) it limits membership with voting rights to residents of the designated community; and (d) it has a board of directors consisting of at least seven directors, 60 percent of whom are voting members with voting rights and, to the extent feasible, 25 percent of whom are elected by resident members of buildings owned by the trust.

#### Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective for taxes levied in 1982, payable in 1983 and thereafter.*

### ARTICLE IX: REGISTRATION OF RENTAL HOUSING

Section 1. Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 2, 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, 1980.

The term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income 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 subdivision. For estates and trusts the adjusted gross income shall be their federal taxable income 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 subdivision and with the modification that the federal deduction for personal exemptions for trusts and estates shall not be allowed.

(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, sections 131, 133, 134, 141, 152, 156, 157, 405, and 543 of P.L. 95-600, and section 2 of P.L. 96-608 (relating to pensions, individual retirement accounts, deferred compensation plans, the sale of a residence and to conservation payments to farmers) including the amendments made to these sections in P.L. 96-222 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.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1980, and as amended by sections 302(b) and 501 to 509 of Public Law Number 97-34, shall be in effect for taxable years beginning after December 31, 1980 including 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. The provisions of P.L. 96-471 (relating to installment sales) and sections 501 to 507, of the Economic Recovery Tax Act of 1981, Public Law Number 97-34 shall be effective at the same time that they become effective for federal income tax purposes.

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) A business casualty loss if the taxpayer elected to deduct the loss on the current year's federal income tax return but had deducted the loss on the previous year's Minnesota income tax return;

(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 amount of the federal income tax overpayment shall be reported only to the extent that the amount resulted in a reduction of the tax imposed by this chapter.

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, combined, or separate Minnesota income tax returns. In the case of combined or 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 combined or 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) 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);

(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) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981, the amount allowed under section 167 of the Internal Revenue Code;

(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 40 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;

(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under section 290.08, subdivision 25;

(20) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10);

(21) To the extent excluded from federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of contributions made by the city manager or administrator which is equal to the amount which would have been the city manager's or administrator's employee contribution pursuant to section 353.27, subdivision 2, if he were a member of the public employees retirement association; and

(22) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of section 179 property within the meaning of the Internal Revenue Code of 1954, the amount allowed as a deduction under section 179 of the Internal Revenue Code; and

(23) *Expenses and depreciation attributable to property subject to section 2 which has not been registered.*

(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 60 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 or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether the amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, 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) 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, 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;

(18) Minnesota exempt-interest dividends as provided by subdivision 27;

(19) A business casualty loss which the taxpayer elected to deduct on the current year's Minnesota income tax return but did not deduct on the current year's federal income tax return; and

(20) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);

(21) To the extent included in federal adjusted gross income, in the case of a



city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a)(21);

(22) Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25;

(23) Interest earned on a contract for deed entered into for the purchase of property for agricultural use if the rate of interest set in the contract is no more than eight percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property purchased under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(24) For the taxable year beginning after December 31, 1980, but before January 1, 1982, an amount equal to 85 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. For the taxable year beginning after December 31, 1981 but before January 1, 1983, 83 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. The depreciation adjustments made to basis in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981 shall be the depreciation adjustments made for federal income tax purposes under the Internal Revenue Code of 1954, as amended through December 31, 1981. Adoption of this provision shall not be construed as indicating the intent of the legislature to enact provisions authorizing amortization of the amount of depreciation not excludable under this clause; and

(25) For taxable years beginning after December 31, 1980 but before January 1, 1983, an amount equal to the deduction allowed under section 179 of the Internal Revenue Code of 1954 as amended through December 31, 1981.

(c) A modification affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954 shall be made.

In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under this chapter and at the close of the taxable year immediately preceding the effective election under this chapter the cor-

poration 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 chapter.

(d) 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 chapter and 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 chapter.

(e) 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 (or as an offset against the sales price of property in determining gain or loss) in computing the taxable income of the estate or any person unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have the amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] (a) The following deductions from gross income shall be allowed in computing net income, provided that any item which was deducted in arriving at gross income under the provisions of section 290.01, subdivision 20, shall not be again deducted under this section.

(b) Property taxes may not be deducted under this section if

(1) The taxes are attributable to a trade or business carried on by an individual, or

(2) The taxes are expenses for the production of income which are paid or incurred by an individual; and which are not allowed as a deduction under section 164 of the Internal Revenue Code of 1954, as amended through December 31, 1980.

(c) *Interest and depreciation attributable to rental residential property may not be deducted under this section if the property does not comply with the requirements of section 3.*

Sec. 3. [CITY OF MINNEAPOLIS; REGISTRATION OF RESIDENTIAL

## RENTAL PROPERTY.]

*Subdivision 1. [MUNICIPAL ORDINANCE; DEDUCTIONS DISALLOWED.] The governing body of the city of Minneapolis may by ordinance require the registration of all rental property used in whole or in part for residential housing and all transfers of that property. If a registration ordinance is adopted, a taxpayer who receives rental income from residential housing property located in Minneapolis may not deduct interest and depreciation pursuant to section 290.01, subdivision 20, or 290.09, on that property until a certified copy of the certificate provided for in subdivision 3 is filed annually with the taxpayer's Minnesota income tax return. No deduction shall be allowed for any period during which the property is not registered as required by the ordinance. In the event the period of non-compliance does not cover an entire taxable year, the deductions shall be denied at the rate of one-twelfth for each full month the property is not in compliance. The amount of the deduction denied shall not exceed the lesser of \$200 for each unregistered rental residential unit or \$2,000 for each building for any taxable year; provided that in no event shall the amount of the deduction denied be less than one-twelfth of the sum of the deductions for interest and depreciation with respect to the property. The city must provide the department of revenue with a copy of the ordinance within ten days of the effective date of the ordinance. Deductions shall not be disallowed until the department has received a copy of the ordinance. The department shall include in its instructions to taxpayers a notice of the restriction established in this section. If the deduction has been disallowed because of a negligent failure to file a copy of the certificate by a taxpayer who had filed a copy for a prior year, the taxpayer may file an amended return with a copy of the certificate and the deduction shall be allowed and the tax liability adjusted accordingly. Notice to taxpayers of the requirement for registration of rental housing property shall be included in the property tax statement for property located in a municipality which has enacted an ordinance under this section.*

*Subd. 2. [REQUIREMENTS FOR ORDINANCE.] An ordinance adopted under subdivision 1 shall require identifying information judged necessary by the city and the department of revenue to administer the ordinance.*

*The ordinance shall provide that all property must be registered within 60 days of the effective date of the ordinance, except that property transferred or sold within or subsequent to that period, whether the sale is by warranty deed, quit-claim deed, contract for deed or any other method of sale must be registered within 20 days after transfer. Registrations are not assignable. A certificate issued pursuant to subdivision 3 is valid for an owner until the owner's interest in the property changes. The city may provide that violation of the ordinance is a misdemeanor. The city may charge a fee to cover the costs of administering its ordinance.*

*Subd. 3. [CERTIFICATE.] The city shall provide a certificate of registration to the owner at the time of registration. The certificate shall include at least the following information: (a) name, address, and social security number, or Minnesota tax identification number, of the owner registering the property; (b) the owner's interest in the property; (c) the street address of the property; (d) the date of registration; and (e) the date of the most recent purchase or transfer of the property.*

Sec. 4. [APPLICABILITY.]

*On its effective date this act shall apply to the city of Minneapolis.*

Sec. 5. [EFFECTIVE DATE.]

*This act is effective for taxable years beginning after December 31, 1982.*

ARTICLE X: MUNICIPAL INDUSTRIAL DEVELOPMENT

Section 1. Minnesota Statutes 1981 Supplement, Section 474.03, is amended to read:

474.03 [POWERS.]

Any municipality or redevelopment agency, in addition to the powers prescribed elsewhere by the laws of this state, shall have the power to:

(1) Acquire, construct, and hold any lands, buildings, easements, water and air rights, improvements to lands and buildings, and capital equipment to be located permanently or used exclusively on a designated site and solid waste disposal and pollution control equipment, and alternative energy equipment and inventory, regardless of where located, which are deemed necessary in connection with a project to be situated within the state, whether wholly or partially within or without the municipality or redevelopment agency, and construct, reconstruct, improve, better, and extend such project;

(2) Issue revenue bonds, in anticipation of the collection of revenues of such project, to finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension thereof and, in the case of an alternative energy project, in addition to the other powers granted by this chapter, to finance the acquisition and leasing or sale of equipment and products to others;

(3) Issue revenue bonds to pay, purchase or discharge all or any part of the outstanding indebtedness of a contracting party engaged primarily in the operation of one or more nonprofit hospitals or nursing homes, theretofore incurred in the acquisition or betterment of its existing hospital or nursing home facilities, including, to the extent deemed necessary by the governing body of the municipality or redevelopment agency, any unpaid interest on such indebtedness accrued or to accrue to the date on which such indebtedness is finally paid; and any premium the governing body of the municipality or redevelopment agency determines to be necessary to be paid to pay, purchase or defease such outstanding indebtedness; if revenue bonds are issued for this purpose, the refinancing and the existing properties of the contracting party shall be deemed to constitute a project under section 474.02, subdivision 1c. Industrial revenue bonds shall only be available under this provision if the commissioner of securities and real estate has been shown that a reduction in debt service charges to patients and third party payors will occur. All reductions in debt service charges pursuant to this program shall be passed on to patients and third party payors. These industrial revenue bonds may not be used for any purpose not consistent with the provisions of sections 145.832 to 145.845 or chapter 256B;

Nothing in this subdivision is intended to prohibit the use of revenue bond proceeds to pay outstanding indebtedness of a contracting party to the extent

now permitted by law;

(4) Enter into a revenue agreement with any person, firm, or public or private corporation or federal or state governmental subdivision or agency in such manner that payments required thereby to be made by the contracting party shall be fixed, and revised from time to time as necessary, so as to produce income and revenue sufficient to provide for the prompt payment of principal of and interest on all bonds issued hereunder when due, and the revenue agreement shall also provide that the contracting party shall be required to pay all expenses of the operation and maintenance of the project including, but without limitation, adequate insurance thereon and insurance against all liability for injury to persons or property arising from the operation thereof, and all taxes and special assessments levied upon or with respect to the project and payable during the term of the revenue agreement, during which term a tax shall be imposed and collected pursuant to the provisions of section 272.01, subdivision 2, for the privilege of using and possessing the project, in the same amount and to the same extent as though the contracting party were the owner of all real and personal property comprising the project;

(5) Pledge and assign to the holders of such bonds or a trustee therefor all or any part of the revenues of one or more projects and define and segregate such revenues or provide for the payment thereof to a trustee, whether or not such trustee is in possession of the project under a mortgage or otherwise;

(6) Mortgage or otherwise encumber such projects in favor of the municipality or redevelopment agency, the holders of such bonds, or a trustee therefor, provided that in creating any such mortgages or encumbrances a municipality or redevelopment agency shall not have the power to obligate itself except with respect to the project;

(7) Make all contracts, execute all instruments, and do all things necessary or convenient in the exercise of the powers herein granted, or in the performance of its covenants or duties, or in order to secure the payment of its bonds; including, but without limitation, a contract entered into prior to the construction of the project authorizing the contracting party, subject to such terms and conditions as the municipality or redevelopment agency shall find necessary or desirable and proper, to provide for the construction, acquisition, and installation of the buildings, improvements, and equipment to be included in the project by any means available to the contracting party and in the manner determined by the contracting party and without advertisement for bids as may be required for the construction or acquisition of other municipal facilities;

(8) Enter into and perform such contracts and agreements with other municipalities, political subdivisions, and state agencies, authorities, and institutions as the respective governing bodies of the same may deem proper and feasible for or concerning the planning, construction, lease, purchase, mortgaging or other acquisition, and the financing of a project, and the maintenance thereof, including an agreement whereby one municipality issues its revenue bonds in behalf of one or more other municipalities pursuant to revenue agreements with the same or different contracting parties, which contracts and agreements may establish a board, commission, or such other body as may be deemed proper for the supervision and general management of the facilities of the project; provided, no municipality or redevelopment agency shall enter into or perform any contract or agreement with any school district under which the municipal-

ity or redevelopment agency issues its revenue bonds or otherwise provides for the construction of school facilities and the school leases or otherwise acquires these facilities;

(9) Accept from any authorized agency of the federal government loans or grants for the planning, construction, acquisition, leasing, purchase, or other provision of any project, and enter into agreements with such agency respecting such loans or grants;

(10) Sell and convey all properties acquired in connection with such projects, including without limitation the sale and conveyance thereof subject to such mortgage as herein provided, and the sale and conveyance thereof under an option granted to the lessee of the project, for such price, and at such time as the governing body of the municipality or redevelopment agency may determine, provided, however, that no sale or conveyance of such properties shall ever be made in such manner as to impair the rights or interests of the holder, or holders, of any bonds issued under the authority of this chapter;

(11) Issue revenue bonds to refund, in whole or in part, bonds previously issued by such municipality or redevelopment agency under authority of this chapter;

(12) If so provided in the revenue agreement, terminate the agreement and re-enter or repossess the project upon the default of the contracting party, and operate, lease, or sell the project in such manner as may be authorized or required by the provisions of the revenue agreement or of the resolution or indenture securing the bonds issued for the project; any revenue agreement which includes provision for a conveyance of real estate to the contracting party may be terminated in accordance with the revenue agreement, notwithstanding that such revenue agreement may constitute an equitable mortgage provided that no municipality or redevelopment agency shall have power otherwise to operate any project referred to in this chapter as a business or in any manner whatsoever, and nothing herein authorizes any municipality or redevelopment agency to expend any funds on any project herein described, other than the revenues of such projects, or the proceeds of revenue bonds and notes issued hereunder, or other funds granted to the municipality or redevelopment agency for the purposes herein contemplated, except as may be otherwise permitted by law and except to enforce any right or remedy under any revenue agreement or related agreement for the benefit of the bondholders or for the protection of any security given in connection with a revenue agreement, provided that the public cost of redevelopment of land paid by a city or its redevelopment agency shall not be deemed part of the cost of any project situated on such land;

(13) Invest or deposit, or authorize a trustee to invest or deposit, any money on hand in funds or accounts established in connection with a project or payment of bonds issued therefor, to the extent they are not presently needed for the purposes for which such funds or accounts were created, in accordance with section 471.56, as amended; ~~and~~

(14) Waive or require the furnishing of a contractors payment and performance bond of the kind described in section 574.26 and if such bond shall be required, then the provisions of chapter 514 relating to liens for labor and materials, shall not be applicable in respect of any work done or labor or materials supplied for the project, and if such bond be waived then the said

provisions of chapter 514 shall apply in respect of work done or labor or materials supplied for the project; and

*(15) Waive property taxes on a nonresidential building constructed for sale or rent in a project until the building is sold or rented, up to a maximum of five years.*

## Sec. 2. [EFFECTIVE DATE.]

*This act is effective for property taxes levied in 1982 and thereafter, payable in 1983 and thereafter.*

# ARTICLE XI: URBAN SHELTER PRESERVES

## Section 1. [URBAN SHELTER PRESERVES; DEFINITIONS.]

*Subdivision 1. [GENERALLY.] When used in sections 1 to 7, the words described in this section shall have the meanings given herein.*

*Subd. 2. [CITY.] "City" means the city of Minneapolis or any agency or body lawfully delegated by the governing body of the city to perform the duties provided in sections 1 to 7.*

*Subd. 3. [LOWER INCOME FAMILY.] "Lower income family" means a family whose federal adjusted gross income is no more than 80 percent of the median income for the area as defined by the U.S. department of housing and urban development.*

*Subd. 4. [LOWER INCOME RENTAL PROPERTY.] "Lower income rental property" means a rental property in which 75 percent or more of the units are rented to lower income families, except that in the case of non-owner occupied duplexes the percentage shall be 50 percent and in the case of triplexes, it shall be 66-2/3 percent. Owner-occupied duplexes, cooperatives which are treated as homesteads, and property assessed pursuant to Minnesota Statutes, Section 273.13, Subdivisions 17, 17b and 17c shall not be considered to be lower income rental property for purposes of sections 1 to 7.*

*Subd. 5. [OWNER.] "Owner" means any person who owns the freehold of the premises or lesser estate therein, receiver, executor, trustee, or, if a property has been sold subject to a contract for deed, owner includes the vendee where the vendor has agreed to the covenant in writing.*

*Subd. 6. [URBAN SHELTER PRESERVE.] "Urban shelter preserve" means a rental property which is the subject of an agreement as described in section 4.*

## Sec. 2. [LOCAL OPTION TO CREATE PRESERVES.]

*The governing body of the city may enact an ordinance providing for the creation of urban shelter preserves in the city. In the ordinance, the governing body shall state its findings with respect to the existence in the city of developmental pressures on property that could provide housing for lower income families. Lower income rental property of a type that is found by the governing body to be subject to developmental pressure would be eligible for designation as an urban preserve. The ordinance may limit either the number of properties or the number of residential units that will be accepted as urban shelter preserves.*

## Sec. 3. [APPLICATION FOR DESIGNATION.]

*Subdivision 1. [INFORMATION REQUIRED.] An owner who believes his property to be eligible for designation as an urban shelter preserve may apply to the city to have the property so designated. The application shall be on a form provided by the city and shall contain at least the following information:*

*(a) Address and legal description of the property;*

*(b) Name and address and social security number or Minnesota taxpayer identification number of the owner;*

*(c) Other information the participating city deems necessary; and*

*(d) A statement of the penalties that apply for giving fraudulent information.*

*Subd. 2. [TENANTS' INCOME INFORMATION.] Upon receiving the application, the city shall provide the owner with forms for certification of tenant income to be distributed by the owner to the tenants. The completed forms shall be returned to the city by all tenants of the property. The form shall include at least the following:*

*(a) A statement that the information given on this form will not jeopardize eligibility for any benefits currently being received by the tenant, but will be for purposes of determining eligibility of the building for the urban shelter preserve designation only;*

*(b) The name and address of the owner of the property;*

*(c) A statement of the penalties which shall apply for giving fraudulent information; and*

*(d) A request for the tenant's federal adjusted gross income.*

#### **Sec. 4. [DESIGNATION.]**

*Subdivision 1. [AGREEMENT.] If the city finds the property to be eligible for designation as an urban shelter preserve, it shall request the owner to furnish a copy of the rent schedule for the property. Upon receipt of the rent schedule, the city may designate the property as an urban shelter preserve for a period of time, not less than one year, agreed to by the city and the owner. This agreement shall not be binding on a successor in interest to the owner unless the successor in interest agrees to be bound to the agreement and notifies the city of his intention to agree. If the successor in interest does not agree to be bound by the agreement, property sold prior to October 1 shall not be valued and assessed pursuant to section 6 for taxes levied in that year.*

*Subd. 2. [EFFECT OF DESIGNATION.] If designation is made prior to March 1 of any year, the property shall be assessed pursuant to section 6 for taxes payable the following year. If designation is made after March 1, the property shall be assessed pursuant to section 6 in the following year.*

*Subd. 3. [NOTICE TO OFFICIALS.] Within ten days of designation of a property as a preserve, the city shall notify the county auditor and the assessor of the property of the designation.*

#### **Sec. 5. [DURATION.]**

*Subdivision 1. [GENERALLY.] An urban preserve shall continue to exist during the time established in the original agreement between the city and the owner, as well as any extensions of that period agreed to in writing by the city*



and the owner until either the owner or the city initiates expiration as provided in this section.

*Subd. 2. [OWNER INITIATION.] An owner may initiate expiration prior to the date set in the original agreement or extensions by notifying the city. The notice shall contain the address of the property and shall state the desired date of expiration which shall be at least one year from the date of the notice.*

*Subd. 3. [CITY INITIATION.] The city may initiate termination prior to the date set in the original agreement or extensions by notifying the owner. The date of expiration shall be at least one year from the date of the notice.*

*Subd. 4. [TERMINATION FOR FAILURE TO MAINTAIN PRESERVE.] If it becomes apparent that the owner has failed to maintain his property as a lower income rental property or in any other way violated the terms of the agreement, the administering agency shall commence action toward early termination of the preserve. In so doing, the city shall first give the owner 30 days notice in writing stating the reasons for the early termination. If the owner fails to take action immediately to remedy the situation, the termination shall become effective at the end of the 30 days.*

*Subd. 5. [NOTICE TO OFFICIALS.] The city shall notify the assessor and county auditor of any notice of termination issued or received.*

**Sec. 6. [PROPERTY TAX TREATMENT; PASSTHROUGH OF REDUCTION.]**

*Subdivision 1. [ASSESSMENT.] Notwithstanding the provisions of Minnesota Statutes, Sections 272.03, Subdivision 8, and 273.11, the market value of property designated as an urban preserve, for the first year when it is taxed pursuant to this section, shall be the market value given it for the year preceding its designation. For assessments in subsequent years, its value as determined according to Minnesota Statutes, Section 273.11, shall not increase over its value for the preceding year by more than 80 percent of the average percentage increase in market value of residential rental property in the city. The governing body of the municipality may, if it finds that the value of property designated as an urban shelter preserve has increased substantially as a consequence of developmental pressure on the property prior to the time of its designation, determine that the market value of the property shall not be increased during the period of time deemed necessary for the value of the property to become equal to similar property that has not been subject to the same developmental pressure; any restriction on subsequent increases in the valuation of the property shall be determined by the governing body. Improvements to the property shall be assessed according to the provisions of Minnesota Statutes, Section 273.11.*

*Subd. 2. [REDUCTION OF ASSESSED VALUE.] After the assessor has determined the market value for urban preserve property in accordance with subdivision 1, he shall compute the assessed value by applying 50 percent of the classification percentage which would apply if the property were not a preserve.*

*Subd. 3. [DETERMINATION OF TAX REDUCTION.] The assessor shall annually notify the city of the difference between the property tax which would accrue to each preserve property with and without preserve status. The difference between these two figures is the property tax reduction for that property*

which shall be passed through to tenants pursuant to subdivision 4.

*Subd. 4. [PROPERTY TAX PASSTHROUGH.] The benefit of the reduction in the property tax shall be passed through to tenants by means of reductions in monthly rents for residential units in the urban shelter preserves. The amount of the passthrough shall be calculated in such a way that, for properties consisting of ten units or less, 90 percent is distributed among the tenants and, for properties exceeding ten units, 95 percent of the reduction is divided among tenants. The distribution shall be in proportion to a household's share in gross residential rents for the building. The city shall notify the owner of the proper amount and timing of the property tax passthrough.*

Sec. 7. [ADMINISTRATION.]

*Subdivision 1. [ANNUAL RECERTIFICATION.] On an annual basis the income of tenants shall be recertified to insure that the property continues to qualify as a lower income rental property. The rent schedule shall also be recertified at least annually.*

*Subd. 2. [ENFORCEMENT.] The city may take all reasonable and necessary steps to insure adequate compliance with the provisions of sections 1 to 7, including the levying of penalties for wilful abuse of the covenant agreement. Penalties for the owner shall not exceed \$500 and the equivalent of all the property tax passthrough for that property plus interest of 20 percent and for the tenant shall not exceed a maximum of \$500.*

Sec. 8. [APPLICABILITY.]

*On its effective date, this act shall apply to the city of Minneapolis.*

Sec. 9. [LOCAL APPROVAL.]

*This act is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of Minneapolis.*

ARTICLE XII: TAX-FORFEITED LANDS

Section 1. Minnesota Statutes 1980, Section 278.08, is amended to read:

278.08 [INTEREST.]

*Subdivision 1. [TAXES DUE.] If Whether or not the tax is sustained in full as levied and section 278.03 notwithstanding, the judgment shall include any interest which has ~~then~~ accrued ~~thereon~~ on the taxes for failure to pay the ~~same~~, taxes or any part thereof, at the time required by law of the taxes as provided in sections 279.01 and 279.03. If the tax is reduced, no penalties and interest penalty shall be included in the judgment because of the failure to pay the reduced tax prior to the entry thereof of judgment. After the judgment is entered, it shall be subject to interest or penalties as would under the law attach to the tax embraced therein after the entry thereof and penalty at the rates provided in chapter 279 for delinquent payment of property taxes.*

*Subd. 2. [REFUND.] If the petitioner has overpaid the tax determined or stipulated to be due, the county auditor shall compute interest on the overpayment from the date of the filing of the petition for review or from the date of payment of the tax, whichever is later, until the date of issuance of the refund warrant. Interest shall be calculated on the overpayment at the rate provided in section 279.03 for delinquent property taxes for the levy year involved.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 279.03, is amended to read:

**279.03 [INTEREST ON DELINQUENT REAL ESTATE PROPERTY TAXES.]**

*Subdivision 1. [RATE.]* The rate of interest on delinquent ~~real estate prop-~~erty taxes levied in 1979 and prior years is fixed at six percent per ~~annum~~ year until January 1, 1983. ~~Thereafter interest is payable at the rate determined pursuant to section 549.09.~~ The rate of interest on delinquent ~~real estate~~ property taxes levied in 1980 and subsequent years ~~shall be~~ is the rate determined pursuant to section 549.09. All provisions of law ~~except section 549.09~~ providing for the calculation of interest at any different rate on delinquent 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. *Section 549.09 shall continue in force with respect to judgments arising out of petitions for review filed pursuant to chapter 278 irrespective of the levy year.*

~~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.~~

*For property taxes levied in 1980 and prior years, interest is to be calculated at simple interest from the second Monday in May following the year in which the taxes become due until the time that the taxes and penalties are paid, computed on the amount of unpaid taxes, penalties and costs. For property taxes levied in 1981 and subsequent years, interest shall commence on the first day of January following the year in which the taxes become due, but the county treasurer need not calculate interest on unpaid taxes and penalties on the tax list returned to the county auditor pursuant to section 279.01.*

*If interest is payable for a portion of a year, the interest is calculated only for the months that the taxes or penalties remain unpaid, and for this purpose a portion of a month is deemed to be a whole month.*

*Subd. 2. [COMPOSITE JUDGMENT.]* Amounts included in composite judgment, as authorized by section 279.37, and confessed on or after July 1, 1982, are subject to interest at the rate determined pursuant to section 549.09. During each calendar year, interest shall accrue on the unpaid balance of the composite judgment from the time it is confessed until it is paid. The rate of interest is subject to change each year in the same manner that section 549.09 provides for rate changes on judgments. Interest on the unpaid contract balance on judgments confessed before July 1, 1982, is payable at the rate applicable to the judgment at the time that it was confessed.

Sec. 3. Minnesota Statutes 1980, Section 279.37, Subdivision 1, is amended to read:

**279.37 [CONFESSION OF JUDGMENT FOR DELINQUENT TAXES.]**

**Subdivision 1. [COMPOSITION INTO ONE ITEM.]** Delinquent taxes upon any parcel of real estate which have been bid in for and are held by the

state and not assigned by it, may be composed into one item or amount by confession of judgment at any time prior to the forfeiture of such parcel of land to the state for taxes, for the aggregate amount of all such taxes, costs, penalties, and interest accrued against said parcel, as hereinafter provided; ~~provided that no such taxes upon lands classified for assessment at an assessed value exceeding 40 percent of the market value, shall be composed into any such judgment or be payable in the manner provided by this section.~~

Sec. 4. Minnesota Statutes 1980, Section 279.37, Subdivision 2, is amended to read:

Subd. 2. [INSTALLMENT PAYMENTS.] The owner of any such parcel, or any person to whom the right to pay taxes has been given by statute, mortgage, or other agreement, may make and file with the county auditor of the county wherein ~~said~~ *the* parcel is located a written offer to pay the current taxes each year before they become delinquent, or to contest ~~such~~ *the* taxes under Minnesota Statutes 1941, Sections 278.01 to 278.13, and agree to confess judgment for the amount hereinbefore provided, as determined by the county auditor, and shall thereby waive all irregularities in connection with the tax proceedings affecting ~~such~~ *the* parcel and any defense or objection which he may have ~~thereto to the proceedings~~, and shall thereby waive the requirements of any notice of default in the payment of any instalment or interest to become due pursuant to the composite judgment to be so entered, and shall tender therewith one-tenth of the amount of ~~such~~ *the* delinquent taxes, costs, penalty, and interest, and agree therein to pay the balance in nine equal instalments, with interest ~~at the rate of eight percent per annum as provided in section 279.03~~, payable annually on instalments remaining unpaid from time to time, on or before December 31 of each year following the year in which judgment was confessed, which offer shall be substantially as follows:

“To the clerk of the district court of ..... county, I, ....., owner of the following described parcel of real estate situate in ..... county, Minnesota, to-wit: ..... upon which there are delinquent taxes for the year ....., and prior years, as follows: (here insert year of delinquency and the total amount of delinquent taxes, costs, interest, and penalty) do hereby offer to confess judgment in the sum of \$..... and hereby waive all irregularities in the tax proceedings affecting such taxes and any defense or objection which I may have thereto, and direct judgment to be entered for the amount hereby confessed, less the sum of \$....., hereby tendered, being one-tenth of the amount of said taxes, costs, penalty, and interest; I agree to pay the balance of said judgment in nine equal, annual instalments, with interest ~~at the rate of eight percent per annum as provided in section 279.03~~, payable annually, on the instalments remaining unpaid from time to time, said instalments and interest to be paid on or before December 31 of each year following the year in which this judgment is confessed and current taxes each year before they become delinquent, or within 30 days after the entry of final judgment in proceedings to contest such taxes under Minnesota Statutes 1941, Sections 278.01 to 278.13.

Dated this ....., 19.....”

Sec. 5. Minnesota Statutes 1980, Section 279.37, is amended by adding a subdivision to read:

Subd. 2a. [ALTERNATIVE TREATMENT OF NONHOMESTEAD

PROPERTY.] A county board of commissioners may by resolution provide that the installment arrangement in subdivision 2 is not applicable to non-homestead property and that this subdivision applies instead. If the resolution is approved, the minimum downpayment shall be 20 percent of the delinquent amount and the balance shall be payable in four equal annual installments at the time prescribed in this section. A resolution shall remain in force for at least one year after the date of approval and shall be applied uniformly to all nonhomestead property in the county. "Nonhomestead property" means all property except that which is classified for property tax purposes as homestead property at the time that the confession of judgment is made.

Sec. 6. Minnesota Statutes 1980, Section 282.01, Subdivision 4, is amended to read:

Subd. 4. [CONDUCT OF SALE.] ~~Such~~ The sale shall be conducted by the county auditor at the county seat of the county in which ~~such~~ the parcels lie, provided that, in St. Louis and Koochiching counties, the sale may be conducted in any county facility within the county, and ~~such~~ the parcels shall be sold for cash only and at not less than the appraised value, unless the county board of the county shall have adopted a resolution providing for their sale on terms, in which event ~~such~~ the resolution shall control with respect thereto. When the sale is made on terms other than for cash only a payment of at least ten percent of the purchase price must be made at the time of purchase, thereupon the balance shall be paid in ~~not to exceed~~ no more than ten equal annual instalments. No standing timber or timber products shall be removed from these lands until an amount equal to the appraised value of all ~~such~~ standing timber or timber products ~~as may have been standing~~ on ~~such~~ the lands at the time of purchase has been paid by the purchaser; provided, that in case any parcel of land bearing standing timber or timber products is sold at public auction for more than the appraised value, the amount bid in excess of the appraised value shall be allocated between the land and the timber in proportion to the respective appraised values thereof, and no standing timber or timber products shall be removed from ~~such~~ the land until the amount of ~~such~~ the excess bid allocated to timber or timber products ~~shall have~~ has been paid in addition to the appraised value thereof. ~~When sales are made on such terms the interest rate on the unpaid portion shall be eight percent per annum.~~ The purchaser at ~~such~~ sale ~~shall be~~ is entitled to immediate possession, subject to the provisions of any existing valid lease made in behalf of the state.

*For sales occurring on or after July 1, 1982, the unpaid balance of the purchase price is subject to interest at the rate determined pursuant to section 549.09. The interest rate is subject to change each year on the unpaid balance in the manner provided in section 549.09 for rate changes on judgments. Interest on the unpaid contract balance on sales occurring before July 1, 1982, is payable at the rate applicable to the sale at the time that the sale occurred.*

Sec. 7. Minnesota Statutes 1980, Section 282.01, is amended by adding a subdivision to read:

Subd. 7a. [ALTERNATE SALE PROCEDURE.] Land located in a home rule charter or statutory city, or in a town described in section 368.01, subdivision 1, which cannot be improved because of noncompliance with local ordinances regarding minimum area, shape, frontage or access may be sold by the county auditor pursuant to this subdivision if the auditor determines that a

*nonpublic sale will encourage the approval of sale of the land by the city or town and promote its return to the tax rolls. The sale of land pursuant to this subdivision shall be subject to any conditions imposed by the county board pursuant to section 282.03. The governing body of the city or town may recommend to the county board conditions to be imposed on the sale. The county auditor may restrict the sale to owners of lands adjoining the land to be sold. The county auditor shall conduct the sale by sealed bid or may select another means of sale. The land shall be sold to the highest bidder but in no event shall the land be sold for less than its appraised value. All owners of land adjoining the land to be sold shall be given a written notice at least 30 days prior to the sale.*

*This subdivision shall be liberally construed to encourage the sale and utilization of tax-forfeited land, to eliminate nuisances and dangerous conditions and to increase compliance with land use ordinances.*

Sec. 8. Minnesota Statutes 1980, Section 282.04, is amended by adding a subdivision to read:

*Subd. 1a. [LEASING WITHOUT BIDS.] The county auditor may within a period of two years immediately following the date of forfeiture lease tax-forfeited land on which are located structures or buildings without advertising for bids. Notwithstanding subdivision 1, the property may be leased for a period no longer than one year without bids, regardless of the consideration received for the lease. With the approval of the county board, the county auditor may under similar circumstances enter into a management contract without bids when that action is necessary for the operation, use or preservation of the property and the safety of the public.*

Sec. 9. Minnesota Statutes 1980, Section 282.08, is amended to read:

282.08 [APPORTIONMENT OF PROCEEDS.]

The net proceeds from the sale or rental of any parcel of forfeited land, or from the sale of any products therefrom, shall be apportioned by the county auditor to the taxing districts interested therein, as follows:

(1) Such portion as may be required to pay any amounts included in the appraised value under section 282.01, subdivision 3, as representing increased value due to any public improvement made after forfeiture of such parcel to the state, but not exceeding the amount certified by the clerk of the municipality, shall be apportioned to the municipal subdivision entitled thereto;

(2) Such portion of the remainder as may be required to discharge any special assessment chargeable against such parcel for drainage or other purpose whether due or deferred at the time of forfeiture, shall be apportioned to the municipal subdivision entitled thereto; and

(3) ~~Such portion of the remainder as may have been theretofore levied on the parcel of land for any bond issue of the school district, town, city, or county, wherein the parcel of land is situated shall be apportioned to the municipal subdivisions in the proportions of the respective interest; and~~

(4) Any balance shall be apportioned as follows:

(a) Any county board may annually by resolution set aside ~~not exceeding~~ *no more than* 30 percent of the receipts remaining to be used for timber develop-

ment on tax-forfeited land and dedicated memorial forests, to be expended under the supervision of the county board. It shall be expended only on projects approved by the commissioner of natural resources.

(b) Any county board may annually by resolution set aside ~~not exceeding~~ *no more than* 20 percent of the receipts remaining to be used for the acquisition and maintenance of county parks or recreational areas as defined in sections 398.31 to 398.36, to be expended under the supervision of the county board.

(c) If the board does not avail itself of the authority under paragraph (a) or (b) any balance remaining shall be apportioned as follows: county, 40 percent; town or city, 20 percent; and school district, 40 percent, and if the board avails itself of the authority under paragraph (a) or (b) the balance remaining shall be apportioned among the county, town or city, in the proportions in this paragraph above stated, provided, however, that in unorganized territory that portion which should have accrued to the township shall be administered by the county board of commissioners.

Sec. 10. Minnesota Statutes 1980, Section 282.261, is amended to read:

282.261 [~~DOWN PAYMENT~~ *TERMS OF REPURCHASE.*]

*Subdivision 1. [PAYMENTS; TAXES.]* A person repurchasing under section 282.241 shall pay at the time of repurchase not less than one-tenth of ~~such~~ *the* repurchase price and shall pay the balance in ten equal annual instalments, with the privilege of paying the unpaid balance in full at any time, with interest ~~at the rate of eight percent on the balance remaining unpaid each year as provided in subdivision 2,~~ the first instalment of principal and interest to become due and payable on December 31 of the year following the year in which the repurchase was made, the remaining instalments to become due and payable on December 31 of each year thereafter until fully paid. ~~He~~ *The person* shall pay the current taxes each year thereafter before ~~the same shall they~~ become delinquent up to the time when he ~~shall pay~~ *has paid* the repurchase price in full.

*Subd. 2. [INTEREST RATE.]* *The unpaid balance on any repurchase contract approved by the county board on or after July 1, 1982, is subject to interest at the rate determined pursuant to section 549.09. The interest rate is subject to change each year on the unpaid balance in the manner provided in section 549.09 for rate changes on judgments. Interest on the unpaid contract balance on repurchases approved before July 1, 1982, is payable at the rate applicable to the repurchase contract at the time that it was approved.*

*Subd. 3. [ALTERNATIVE TREATMENT OF NONHOMESTEAD PROPERTY.]* *A county board of commissioners may by resolution provide that the installment arrangement in subdivision 1 is not applicable to non-homestead property and that this subdivision applies instead. If the resolution is approved, the minimum downpayment shall be 20 percent of the repurchase price and the balance shall be payable in four equal annual installments. A resolution shall remain in force for at least one year after approval and shall be applied uniformly to all nonhomestead property in the county. "Nonhomestead property" means all property except that which is classified for property tax purposes as homestead property at the time that the repurchase application is approved.*

## ARTICLE XIII: GRAVEL TAX

Section 1. Minnesota Statutes 1981 Supplement, 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~~ *aggregate material* for sale from ~~gravel~~ pits or deposits, a production tax in an amount not to exceed ten cents per cubic yard of ~~gravel~~ *aggregate material* removed. For purposes of this section, ~~gravel shall include sand and limestone~~ "*aggregate material*" means *non-metallic natural mineral aggregate including, but not limited to sand, gravel, crushed rock, clay, black dirt, crushed limestone and crushed granite. Aggregate material shall not include dimension stone and dimension granite. Dimension stone or dimension granite shall not include stone or granite of a size to be used for railroad ballast.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 298.75, Subdivision 2, is amended to read:

Subd. 2. By the 14th day following the last day of each calendar quarter in each county in which a tax is imposed pursuant to this section or any special law, every operator shall make and file with the county auditor of the county in which the ~~gravel~~ *aggregate material* 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~~ *aggregate material* removed during the preceding calendar quarter. The report shall be accompanied by a remittance of the amount of tax due.

Sec. 3. Minnesota Statutes 1980, Section 298.75, Subdivision 5, is amended to read:

Subd. 5. It is a misdemeanor for any operator to remove ~~gravel~~ *aggregate material* from a pit or deposit unless all taxes due under this section have been paid or objections thereto have been filed pursuant to subdivision 3.

Sec. 4. Minnesota Statutes 1980, Section 298.75, Subdivision 6, is amended to read:

Subd. 6. All moneys collected as taxes under this section shall be deposited in the county treasury and credited as follows, for expenditure by the county board:

(a) Sixty percent to the county road and bridge fund for expenditure for the maintenance, construction and reconstruction of roads traveled by vehicles hauling ~~gravel~~ *aggregate material*;

(b) Thirty percent to the town road and bridge fund, for expenditure for maintenance, construction and reconstruction of roads traveled by vehicles hauling ~~gravel~~ *aggregate material*, in a manner determined by the county; and

(c) Ten percent to a special reserve fund which is hereby established, for expenditure for the restoration of abandoned ~~gravel~~ pits or deposits upon lands to which the county holds title or upon tax forfeited lands within the county.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 298.76, is amended to read:

298.76 [LOCAL LAWS, APPLICATION.]

Section 298.75 shall not supersede any local law, except that the provisions



of section 298.75, subdivisions 2 and 3, shall supersede the provisions of any local law. *A county that imposes or may impose a gravel tax pursuant to a local law may elect to be governed by the provisions of section 298.75 in lieu of the tax imposed pursuant to local law.*

Sec. 6. Laws 1961, Chapter 605, Section 1, is amended to read:

Section 1. Every person engaged in the business of removing gravel from gravel pits or deposits of gravel in Clay county, hereinafter called the operator, shall pay to said county an occupation tax in such amount as the board of county commissioners may determine to be necessary for the purposes set forth in section 5, but not to exceed ~~five~~ *ten* cents on each cubic yard of gravel removed from a gravel pit or deposit of gravel in Clay county after the effective date of this act. Such tax shall be computed and be due and payable as herein-after provided.

Sec. 7. [APPLICABILITY.]

*On its effective date, section 6 applies to the county of Clay.*

Sec. 8. [EFFECTIVE DATE.]

*Sections 1 to 5 are effective the day following final enactment.*

*Section 6 is effective after local approval on the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, and shall apply for gravel removed from a pit or deposit after the date specified by the previous resolution of the county board by which the rate of the gravel tax in that county was increased from five cents to ten cents per cubic yard.*

#### ARTICLE XIV: BLOOMINGTON COURT FACILITIES

Section 1. [BONDS FOR BLOOMINGTON COURT FACILITY.]

*The city of Bloomington may issue general obligation bonds for the acquisition, construction or betterment of a court building and court related facilities, and parking for them, under Minnesota Statutes, Chapter 475, except as otherwise provided in this act. Before issuance of bonds, the city shall give three weeks published notice of the issuance. If a number of voters in the city equal 10 percent of those who voted for candidates for governor at the last gubernatorial election present a petition within six weeks of the first published notice to the city clerk requesting that the matter be submitted to popular vote, it shall be submitted at the next general election. If a majority of those voting on the question approve it or if no petition is presented within the prescribed time the city may issue the bonds and levy a tax in accordance with Minnesota Statutes, Section 475.61, to service the debt.*

Sec. 2. [HENNEPIN COUNTY; LEASE AUTHORIZATION.]

*The county of Hennepin and the city of Bloomington may enter into contracts for terms not to exceed ten years and may enter into leases in connection with court and court related activities. The term of any lease entered into by the county of Hennepin with the city of Bloomington shall not exceed the period required to service the debt on the bonds authorized by section 1. Lease payments shall be irrevocably pledged to the payment of the debt. Upon the retirement of the debt created under section 1, the city may lease space in the court building and related facilities to the county as the county may need for court purposes for periods not to exceed five years. If the city and the county*

*deem it to be in the best interests of the public served by the facilities, the county may purchase them after retirement of the debt, or upon guaranteeing the servicing of the debt, at mutually agreed upon terms.*

**Sec. 3. [SUITABILITY OF COURT FACILITIES.]**

*Nothing herein shall be construed to limit or restrict the power of a court provided by law to determine the suitability of any facilities constructed for court purposes under this act.*

**Sec. 4. [RELOCATION OF MUNICIPAL COURT.]**

*Notwithstanding the provisions of Minnesota Statutes, Section 488A.01, Subdivision 9, the county of Hennepin may relocate the municipal court serving the city of Bloomington and thereupon shall provide suitable quarters for the holding of regular terms of court in a southern suburban location within the county as may be designated by a majority of the judges of the court. All functions of the court may be discharged, including both court and jury trials of civil and criminal matters, at the location designated pursuant to this section. Nothing in this section shall be construed to reduce the level of services to the residents of the city of Bloomington.*

**Sec. 5. [EFFECTIVE DATE.]**

*Sections 1 to 4 are effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the city council of the city of Bloomington and the board of county commissioners of Hennepin county.*

**ARTICLE XV: LAKE COUNTY JAIL**

**Section 1. [LAKE COUNTY; JAIL BONDS.]**

*Lake County may issue bonds for a county jail and levy an ad valorem tax for the payment of their principal and interest at whatever rate is necessary notwithstanding any contrary provision of Minnesota Statutes, Section 641.23 or other law. The bonds shall be issued in accordance with Minnesota Statutes, Chapter 475 but shall not be subject to any interest or debt limits prescribed by that chapter or other law. The interest rate shall not exceed the published yield for the Bond Buyer's Index of 20 municipals for the previous month plus one percent and rounded to the next highest percent per annum. Minnesota Statutes, Section 641.23, shall not be deemed to impose a limitation on the amount of bonds that may be issued pursuant to this section.*

**Sec. 2. [LOCAL APPROVAL.]**

*This act is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of Lake County.*

**ARTICLE XVI: LEASE PURCHASE AGREEMENTS**

Section 1. Minnesota Statutes 1980, Section 168.012, is amended by adding a subdivision to read:

*Subd. 10. If a vehicle is used for a purpose which would make it exempt pursuant to subdivision 1 but title is held by a seller or a vendor or is assigned to a third party under a lease purchase agreement or installment sale permitted under section 465.71, exemption shall be determined by the use rather than the holder of the title.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivi-

sion 1, as amended by Laws 1981, Third Special Session Chapter 2, Article V, Section 2, 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, uherapeutic 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, *including sales in which title is retained by a seller or a vendor or is assigned to a third party under an installment sale or lease purchase agreement under section 465.71*, of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions;

(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 mem-

bership 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 an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, Section 1901, as amended.

(s) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(t) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(w) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;

(ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;

(iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.

(x) The gross receipts from the sale or use of tickets or admissions to the

premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of section 290.05, subdivision 1, clause (i).

(y) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:

(i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 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.

(z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

Sec. 3. Minnesota Statutes 1980, Section 297B.03, is amended to read:

297B.03 [EXEMPTIONS.]

There is specifically exempted from the provisions of this chapter and from computation of the amount of tax imposed by it the following:

(1) Purchase or use, *including use under a lease purchase agreement or installment sales contract made pursuant to section 465.71*, of any motor vehicle by any person described in and subject to the conditions provided in section 297A.25, subdivision 1, clauses (j), (p) and (s).

(2) Purchase or use of any motor vehicle by any person who was a resident of another state at the time of the purchase and who subsequently becomes a resident of Minnesota, provided the purchase occurred more than 60 days prior to the date such person moved his residence to the state of Minnesota.

(3) Purchase or use of any motor vehicle by any person making a valid election to be taxed under the provisions of section 297A.211.

(4) Purchase or use of any motor vehicle previously registered in the state of Minnesota by any corporation or partnership when such transfer constitutes a transfer within the meaning of sections 351 or 721 of the Internal Revenue Code of 1954, as amended through December 31, 1974.

Sec. 4. Minnesota Statutes 1980, Section 465.71, is amended to read:

465.71 [INSTALLMENT PURCHASES AND LEASE PURCHASES OF PROPERTY; HOME RULE CHARTER AND STATUTORY CITIES; COUNTIES AND SCHOOL DISTRICTS.]

~~A second, third or fourth class~~ home rule charter city, *statutory city, county or school district* may purchase real or personal property under an installment contract, *or lease personal property with an option to purchase under a lease purchase agreement*, by which *contract or agreement* title is retained by the seller or vendor *or assigned to a third party* as security for the purchase price,

*including interest, if any, but such purchases are subject to statutory and charter provisions applicable to the purchase of real or personal property. For purposes of the bid requirements contained in section 471.345, "the amount of the contract" shall include the total of all lease payments for the entire term of the lease under a lease-purchase agreement. The obligation created by a lease purchase agreement shall not be included in the calculation of net debt for purposes of section 475.53, and shall not constitute debt under any other statutory provision. No election shall be required in connection with the execution of a lease purchase agreement authorized by this section. The city, county or school district shall have the right to terminate a lease purchase agreement at the end of any fiscal year during its term.*

#### ARTICLE XVII: ESTATE TAX

Section 1. Minnesota Statutes 1980, Section 270.75, is amended by adding a subdivision to read:

*Subd. 6. The provisions of this section shall not apply to interest payable on timely paid installment payments of estate tax permitted under sections 291.11, subdivision 1, or 291.132, subdivision 2.*

Sec. 2. Minnesota Statutes 1980, Section 291.015, as amended by Laws 1981, Third Special Session Chapter 2, Article VI, Section 2, is amended to read:

#### 291.015 [DETERMINATION OF MINNESOTA TAXABLE ESTATE.]

The Minnesota taxable estate of a decedent shall be the Minnesota gross estate less the sum of:

(1) The exemptions and deductions allowed pursuant to sections 291.05, 291.051, 291.065, 291.07, and 291.08; and

(2) The sum of

- \$225,000 for decedents dying ~~after June 30, in 1982;~~
- \$275,000 for decedents dying in 1983;
- \$325,000 for decedents dying in 1984;
- \$400,000 for decedents dying in 1985;
- \$500,000 for decedents dying in 1986;
- \$600,000 for decedents dying in 1987 and thereafter,

multiplied by a fraction, not greater than one, the numerator of which shall be the value of the Minnesota gross estate and the denominator of which shall be the value of the federal gross estate.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 291.03, Subdivision 3, as amended by Laws 1981, Third Special Session Chapter 2, Article VI, Section 3, is amended to read:

Subd. 3. [1982.] In the case of a decedent dying ~~after June 30, in 1982,~~ subdivision 1, clause (1), shall be applied by substituting for the rates prescribed therein the following rates:

- 7 percent on the first \$75,000,
- 8 percent on the next \$100,000 or part thereof,
- 9 percent on the next \$100,000 or part thereof,
- 10 percent on the next \$200,000 or part thereof,



11 percent on the next \$500,000 or part thereof,  
12 percent on the excess.

Sec. 4. Minnesota Statutes 1980, Section 291.051, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article VI, Section 4, is amended to read:

Subdivision 1. For the purpose of section 291.015, clause (1), the Minnesota taxable estate shall be determined by deducting from the Minnesota gross estate the value of any interest in property other than a terminable interest for which no deduction is allowed under section 2056(b) of the Internal Revenue Code, which passes or has passed from the decedent to his surviving spouse, but only to the extent that the interest is included in determining the value of the Minnesota gross estate and is not exempt from estate tax under sections 291.05 or 291.065. An interest in property shall be considered as passing from the decedent to his surviving spouse if it is considered as so passing under Section 2056(e) of the Internal Revenue Code.

Sec. 5. Minnesota Statutes 1980, Section 291.09, Subdivision 1a, as amended by Laws 1981, Third Special Session Chapter 2, Article VI, Section 5, is amended to read:

Subd. 1a. In all instances in which a decedent dies after December 31, 1979 and before January 1, 1981 leaving a federal gross estate in excess of \$161,000 and in all instances in which a decedent dies after December 31, 1980 and before July January 1, 1982 leaving a federal gross estate in excess of \$175,000, and the decedent has an interest in property with a situs in Minnesota, the personal representative shall submit to the commissioner, on a form prescribed by the commissioner, a Minnesota estate tax return.

In the case of a decedent dying after ~~June 30, 1982~~ December 31, 1981 who has an interest in property with a situs in Minnesota, the personal representative shall submit to the commissioner, on a form prescribed by the commissioner, a Minnesota estate tax return in the following instances:

In the case of a decedent dying in	A Minnesota estate tax return shall be filed if the federal gross estate equals or exceeds
1982 .....	\$225,000
1983 .....	275,000
1984 .....	325,000
1985 .....	400,000
1986 .....	500,000
1987 and thereafter .....	600,000

The return shall be accompanied by a federal estate tax return and shall contain a computation of the Minnesota estate tax due. The return shall be signed by the personal representative.

Sec. 6. Minnesota Statutes 1980, Section 291.15, is amended to read:

291.15 [INTEREST.]

(H) Subdivision 1. If such the tax is not paid within nine months from the

accruing thereof, interest shall be charged and collected thereon at the rate specified in section 270.75 from the due date until the date the tax is paid. In the event a person or corporation upon proper authorization makes a payment to be applied against the tax thereafter, no interest shall accrue on the amount so paid. All payments shall be applied first to penalties, next to interest and then upon principal.

(2) ~~In the event that Subd. 2. If~~ the amount applied against the tax exceeds the tax as determined by the commissioner of revenue, the commissioner shall upon proper application order the refundment without interest. The commissioner of finance shall cause ~~such~~ the refund to be paid out of the proceeds of the tax imposed by this chapter, and so much of ~~said~~ the proceeds as are sufficient to make the refund are hereby appropriated.

*Subd. 3. Interest shall be paid on installment payments of the tax authorized under section 291.11, subdivision 1, or 291.132, subdivision 2, at the rate of eight percent per year if the taxpayer has prior to February 1, 1982, notified the commissioner of revenue in writing of his intention to pay the tax in installments. Interest shall be paid on installment payments paid under subsequently filed notices at the rate of 12 percent per year.*

#### Sec. 7.

*Any interest paid on installment payments of estate taxes under the provisions of Laws 1981, Third Special Session Chapter 2, Article III, Section 1, at a higher rate than the rate provided in section 6 shall be credited to interest subsequently required to be paid by the taxpayer.*

Sec. 8. Laws 1981, Third Special Session Chapter 2, Article VI, Section 8, is amended to read:

#### Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective for estates of decedents dying after ~~June 30, 1982~~ December 31, 1981, provided that the provisions of PL 97-34 that are made retroactive pursuant to section 421(k)(5) shall be effective for estates of decedents dying after December 31, 1979.

#### Sec. 9. [EFFECTIVE DATE.]

*Sections 1 to 8 are effective the day following final enactment.*

### ARTICLE XVIII: SALES TAX

Section 1. Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article V, Section 2, 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 consump-

tion 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, uherapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota by the purchaser and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); *provided that the property is not subject to tax in that state or county to which it is transported for storage or use, or, if subject to tax in that other state, that state allows a similar exemption for property purchased therein and transported to Minnesota for use in this state; except that sales of farm machinery that is shipped or transported for use outside Minnesota shall be taxed at the rate of the use tax imposed by the state to which the property is shipped or transported; and provided further that sales of tangible personal property to be used in other states or countries as part of a maintenance contract shall be specifically exempt;* or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or

imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic 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 an automobile or other conveyance if

the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, Section 1901, as amended.

(s) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(t) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(w) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;

(ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;

(iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.

(x) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of section 290.05, subdivision 1, clause (i).

(y) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:

(i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 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.

(z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

## Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective for sales made after June 30, 1982.*

## ARTICLE XIX: ATHLETES AND ENTERTAINERS

Section 1. Minnesota Statutes 1981 Supplement, Section 290.17, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article 3, Section 13, is amended to read:

Subd. 2. [OTHER TAXPAYERS.] In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:

(1) (a) The entire income of all resident or domestic taxpayers from compensation for labor or personal services, or from a business consisting principally of the performance of personal or professional services, shall be assigned to this state, and the income of nonresident taxpayers from such sources shall be assigned to this state if, and to the extent that, the labor or services are performed within it; all other income from such sources shall be treated as income from sources without this state.

(b) *In the case of an individual who is a nonresident of Minnesota and who is an athlete or entertainer, income from compensation for labor or personal services performed within this state shall be determined in the following manner.*

*(i) The amount of income to be assigned to Minnesota for an individual who is a nonresident salaried athletic team employee shall be determined by using a fraction in which the denominator contains the total number of days in which the individual is under a duty to perform for the employer, and the numerator is the total number of those days spent in Minnesota. In order to eliminate the need to file state or provincial income tax returns in several states or provinces, Minnesota will exclude from income any income assigned to Minnesota under the provisions of this clause for a nonresident athlete who is employed by an athletic team whose operations are not based in this state if the state or province in which the athletic team is based provides a similar income exclusion. If the state or province in which the athletic team's operations are based does not have an income tax on an individual's personal service income, it will be deemed that that state or province has a similar income exclusion. As used*

*in the preceding sentence, the term "province" means a province of Canada.*

*(ii) The amount of income to be assigned to Minnesota for an individual who is a nonresident, and who is an athlete not listed in clause (i), or who is an entertainer, for that person's athletic or entertainment performance in Minnesota shall be determined by assigning to this state all income from performances or athletic contests in this state.*

(2) Income from the operation of a farm shall be assigned to this state if the farm is located within this state and to other states only if the farm is not located in this state. Income 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), nor shall it apply to income from the operation of a farm which is subject to the provisions of clause (2). For the purposes of this clause, a trade or business located in Minnesota is carried on partly within and partly without this state if tangible personal property is sold by such trade or business and delivered or shipped to a purchaser located outside the state of Minnesota.

If the trade or business carried on wholly or partly in Minnesota is part of a unitary business, the entire income of that unitary business shall be subject to apportionment under section 290.19. The term "unitary business" shall mean a number of business activities or operations which are of mutual benefit, dependent upon, or contributory to one another, individually or as a group.



Unity shall be presumed whenever there is unity of ownership, operation, and use, evidenced by centralized management or executive force, centralized purchasing, advertising, accounting, or other controlled interaction. Unity of ownership will not be deemed to exist unless the corporation owns more than 50 percent of the voting stock of the other corporation.

The entire income of a unitary business, including all income from each activity, operation or division, shall be subject to apportionment as provided in section 290.19. None of the income of a unitary business shall be considered as derived from any particular source and none shall be allocated to any particular place except as provided by the applicable apportionment formula.

In determining whether or not intangible property is employed in a unitary business carried on partly within and partly without this state so that income derived therefrom is subject to apportionment under section 290.19 the following rules and guidelines shall apply.

(a) Intangible property is employed in a business if the business entity owning intangible property holds it as a means of furthering the business operation of which a part is located within the territorial confines of this state.

(b) Where a business operation conducted in Minnesota, is owned by a business entity which carries on business activity outside of the state different in kind from that conducted within this state, and such other business is conducted entirely outside the state, it will be presumed that the two business operations are unitary in nature, interrelated, connected and interdependent unless it can be shown to the contrary.

(5) 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 290.08, subdivision 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, 409 or 409A 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. 2. Minnesota Statutes 1980, Section 290.19, Subdivision 1, is amended to read:

Subdivision 1. [COMPUTATION, BUSINESS CONDUCTED PARTLY WITHIN STATE; APPORTIONMENT.] The taxable net income from a trade or business carried on partly within and partly without this state shall be computed by deducting from the gross income of such business, wherever

derived, deductions of the kind permitted by section 290.09, so far as connected with or allocable against the production or receipt of such income. The remaining net income shall be apportioned to Minnesota as follows:

(1) If the business consists of the mining, producing, smelting, refining, or any combination of these activities of copper and nickel ores, or of the manufacture of personal property and the sale of said property within and without the state, the remainder shall be apportioned to Minnesota on the basis of the percentage obtained by taking the arithmetical average of the following three percentages:

(a) The percentage which the sales made within this state is of the total sales wherever made;

(b) The percentage which the total tangible property, real, personal, and mixed, owned or rented, and used by the taxpayer in this state during the tax period in connection with such trade or business is of the total tangible property, real, personal, or mixed, wherever located, owned or rented and, used by the taxpayer in connection with such trade or business during the tax period; and,

(c) The percentage which the taxpayer's total payrolls paid or incurred in this state or paid in respect to labor performed in this state in connection with such trade or business is of the taxpayer's total payrolls paid or incurred in connection with such entire trade or business;

(d) The percentage of such remainder to be assigned to this state shall not be in excess of the sum of the following percentages: 70 percent of the percentage determined under clause (1) (a), 15 percent of the percentage determined under clause (1) (b), and 15 percent of the percentage determined under clause (1) (c);

(2) (a) In all other cases the remainder shall be apportioned to Minnesota on the basis of the percentage obtained by taking the arithmetical average of the following three percentages:

(1) The percentage which the sales, gross earnings, or receipts from business operations, in whole or in part, within this state bear to the total sales, gross earnings, or receipts from business operations wherever conducted;

(2) The percentage which the total tangible property, real, personal, and mixed, owned or rented, and used by the taxpayer in this state during the tax period in connection with such trade or business is of the total tangible property, real, personal, or mixed, wherever located, owned, or rented, and used by the taxpayer in connection with such trade or business during the tax period; and

(3) The percentage which the taxpayer's total payrolls paid or incurred in this state or paid in respect to labor performed in this state in connection with such trade or business is of the taxpayer's total payrolls paid or incurred in connection with such entire trade or business;

(4) The percentage of such remainder to be assigned to this state shall not be in excess of the sum of the following percentages: 70 percent of the percentage determined under clause (2) (a) (1), 15 percent of the percentage determined under clause (2) (a) (2), and 15 percent of the percentage determined under clause (2) (a) (3);

(b) If the methods prescribed under clause (2) (a) will not properly reflect

taxable net income assignable to the state, there may be used, if practicable and if such use will properly and fairly reflect such income, the percentage which the sales, gross earnings, or receipts from business operations, in whole or in part, within this state bear to the total sales, gross earnings, or receipts from business operations wherever conducted; or the separate or segregated accounting method; *however, for athletic teams when the visiting team does not share in the gate receipts, all of the team's income is apportioned to the state in which the team's operation is based;*

(3) The sales, payrolls, earnings, and receipts referred to in this section shall be those for the taxable year in respect of which the tax is being computed. The property referred to in this section shall be the average of the property owned or used by the taxpayer during the taxable year in respect of which the tax is being computed.

Sec. 3. Minnesota Statutes 1980, Section 290.92, Subdivision 4a, is amended to read:

Subd. 4a. [TAX WITHHELD FROM NONRESIDENTS.] (1) ["WAGES" PAID TO NONRESIDENT EMPLOYEES.] For the purposes of this section: The term "wages" means all remuneration taxable under this chapter including all remuneration paid to a nonresident employee for services performed in this state.

(2) ["EMPLOYER", "WAGES" AND "EMPLOYEE" CONCERNING NONRESIDENTS.] Notwithstanding any other provision of this section, under rules and regulations to be prescribed by the commissioner of revenue, for purposes of this section any person having control, receipt, custody, disposal or payment of compensation taxable under this chapter and earned by a nonresident for personal services, shall be deemed an employer, any compensation taxable under this chapter and earned by a nonresident for personal services shall be deemed wages, and a nonresident entitled to compensation taxable under this chapter and earned by him for personal services shall be deemed an employee.

*When compensation for personal services is paid to a corporation in which all or substantially all of the shareholders are individual entertainers, performers or athletes who gave an entertainment or athletic performance in this state for which the compensation was paid, the compensation shall be deemed wages of the individual entertainers, performers or athletes and shall be subject to the provisions of this section. Advance payments of compensation for personal services to be performed in Minnesota shall be deemed wages and subject to the provisions of this section. The individual, and not the corporation, shall be subject to the Minnesota income tax as provided in this chapter on the compensation for personal services.*

(3) [NONRESIDENTS, EMPLOYER'S DUTY.] The employer of any employee domiciled in a state with which Minnesota has reciprocity under section 290.081 is not required to withhold under this chapter from the wages earned by such employee in this state.

Sec. 4. [EFFECTIVE DATE.]

*Section 1 is effective for taxable years ending after the date of final enactment. Sections 2 and 3 are effective the day after final enactment.*

Section 1. Minnesota Statutes 1981 Supplement, Section 273.11, Subdivision 7, is amended to read:

Subd. 7. [AGRICULTURAL LAND.] *Tillable agricultural land shall be valued at the lesser of its market value or the value which could be derived from its average 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 and shall determine a farm rental value to be used for the assessment of each grade. The values so determined shall be presented to township boards of review at their annual meetings held pursuant to section 274.01 in the year prior to that in which those values might be used in determining tillable agricultural land values. The boards of review and any property owners may present their comments on the values, including any evidence indicating that the values are inaccurate, by December 1 of the year when the values were presented to the board. The county assessor shall make his final determination of assessed valuations for January 2 of the subsequent year based on his determinations of the farm rental values as modified by any comments of board members or other property owners that he finds persuasive.*

Sec. 2. Minnesota Statutes 1980, Section 273.11, is amended by adding a subdivision to read:

Subd. 8. [COMMERCIAL PROPERTY.] *In valuing a commercial office building where construction has been completed and occupancy established, if the owner of the income producing property submits income and expense information, the assessor shall develop the economic value as determined by the earning potential of the property. In addition, the assessor may use other methods deemed appropriate. In using the economic value approach, the market value of the property shall be determined by capitalizing the net economic rental income of the building obtainable by sound and reasonable management.*

*If the owner of the income producing property submits income and expense information, he shall furnish the assessor with a statement of estimated operating income and operating expenses for the current assessment year, and if statements have not been previously furnished to the assessor, statements of actual operating income and operating expenses for the three previous years or for the number of years in which the owner has owned the property, whichever is less. The statements shall include, where applicable, average vacancies, net rental and net usable areas, and rental rates and schedules. All data consisting of statements of estimated operating income and operating expenses furnished under this paragraph to the assessor or his employees or agents shall be classified as private data on individuals pursuant to section 15.162, subdivision 5a, or as non-public data pursuant to section 15.162, subdivision 5c, whichever is appropriate.*

*If the assessor is not provided income and expense information as referenced above, the assessor shall utilize the other methods of determining property valuation authorized in this section.*

Sec. 3. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment for valuations for*

taxes levied in 1983, payable in 1984 and thereafter.

Section 2 is effective for assessments occurring in 1983 and thereafter for property taxes payable in 1984 and thereafter.

## ARTICLE XXI: BORDER CITIES

### Section 1. [EQUALIZATION ZONES FOR BORDER COMMUNITIES.]

*The department of energy, planning and development shall evaluate the local and regional impact of the economic and fiscal distress on Minnesota communities which have a contiguous border with a city in another state or which are in close proximity to a city in another state. The department shall report its findings to the legislature by January 1, 1983. Also included in this report shall be the designation of equalization zones for communities most severely distressed, and recommendations for measures to be taken by the legislature to reduce the economic and fiscal disparities identified in communities designated as equalization zones.*

### Sec. 2. [CITIES OF DULUTH, MOORHEAD, EAST GRAND FORKS, AND BRECKENRIDGE MAY SET CLASSIFICATION RATIOS.]

*Subdivision 1. [CLASSIFICATION RATIOS SET BY RESOLUTION.] Notwithstanding the provisions of Minnesota Statutes, Section 273.13, or any other law to the contrary, the governing bodies of the cities of Duluth, Moorhead, East Grand Forks, and Breckenridge may each by resolution establish the percentages by which the market value of all classes of property located within the city are assessed for purposes of the city property tax levy. The resolution shall state the assessment years for which the classification ratios apply.*

*Subd. 2. [REFERENDUM.] The resolution shall be published in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation therein. If within 30 days thereafter, a petition signed by eligible voters equal in number to ten percent of the votes cast in the last general election requesting a referendum on the resolution is filed with the city clerk, the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum.*

*Subd. 3. [AUDITOR TO CALCULATE TAX.] The classification ratios established by the city under this section shall be forwarded to the county auditor by October 1 in the first assessment year for which the classification ratios are effective. For assessment years in which the resolution is effective, the auditor shall determine the mill rate and the tax amounts required to raise the amount of the city levy on the assessed valuations determined pursuant to the classification ratios established by the city. For all other taxing jurisdictions and for determination of the homestead credit provided by section 273.13, subdivisions 6, 7 and 14a, the replacement aid provided by section 273.139, the school agricultural credit provided by section 124.213 and the property tax refund provided by section 290A.04 the auditor shall calculate the taxes as otherwise provided by law. The adjusted assessed value determined pursuant to section 124.212, subdivision 11a shall be determined as if the classification ratios provided by section 273.13 were in effect.*

Sec. 3. [APPLICABILITY; LOCAL APPROVAL; EFFECTIVE DATE.]

*Section 1 applies individually to the cities of Duluth, Moorhead, East Grand Forks, and Breckenridge. Section 2 is effective pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), without local approval on the day after final enactment.*

ARTICLE XXII: ST. PAUL HOTEL TAX

Section 1. [HOTEL AND MOTEL TAX.]

*A tax, supplemental to the general sales tax imposed by Minnesota Statutes, Chapter 297A, is imposed on transient lodging in the city of St. Paul at a rate equal to four percent of the consideration paid for lodging and related services by a hotel, rooming house, tourist court, motel or trailer camp or for the granting of any similar license to use real property. The tax does not apply to a rental or lease for 30 or more days continuously. This tax supersedes any similar tax imposed pursuant to city charter. The tax shall be collected by and its proceeds paid to the city and the tax shall be used for the payment of the bonds and any interest or premium on the bonds authorized by section 2. The tax expires upon the payment of the bonds authorized by section 2.*

Sec. 2. [BONDING AUTHORITY; PLEDGE OF SECURITY.]

*The city of Saint Paul may, by resolution, authorize, issue and sell general obligation or special obligation bonds in an amount not to exceed \$4,000,000 to finance any expenditure for the repair, remodeling, equipping, construction, reconstruction and betterment of the civic center parking ramp. Except as provided by this section the bonds shall be authorized, issued and sold in the same manner and subject to the conditions provided in Minnesota Statutes, Chapter 475. Any special tax imposed by section 1 in the city of Saint Paul, any tax increment generated by private development in, and net revenues from, the operation of the civic center complex shall be pledged in whole to the payment of the bonds authorized by this act and the interest and any premium on them. When any revenues, tax increment, or any special tax imposed by the city are pledged in whole or part for the repayment of general obligation bonds authorized by this act, including any interest or premium on them, the estimated collections of the revenues or taxes pledged shall be deducted from the general ad valorem taxes otherwise required to be levied before the issuance of the bonds under Minnesota Statutes, Section 475.61, Subdivision 1, or the collections of them may be certified annually to reduce or cancel the initial tax levies in accordance with Minnesota Statutes, Section 475.61, Subdivision 1 or 3. Notwithstanding any contrary provision of Minnesota Statutes, Chapter 475, or any other law or charter provision, the bonds may be authorized, issued and sold without a vote of the electorate and without limit as to interest rate and the issue shall not be included in the net debt or per capita tax limitations of the city. If the bonds are special obligation bonds, the city may exercise any of the powers granted an authority for issuing revenue bonds under Minnesota Statutes, Section 273.77, paragraph (c).*

Sec. 3. [STATUTORY EXCEPTION.]

*The taxes imposed by this article are effective notwithstanding Minnesota Statutes, Section 477A.016, or other law.*

Sec. 4. [EFFECTIVE DATE.]

*This article is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of St. Paul.*

#### ARTICLE XXIII: TOURISM PROJECTS

Section 1. Minnesota Statutes 1980, Section 474.02, Subdivision 1b, is amended to read:

Subd. 1b. In furtherance of the purpose specified in sections 301A.02 and 474.01, the term "project" shall include any properties, real or personal, ~~located outside the metropolitan area defined in section 473.122,~~ used or useful for the promotion of tourism in the state. Such Properties may include hotels, motels, lodges, resorts, recreational facilities of the type which may be acquired under section 471.191, and related facilities. ~~The provisions of this subdivision shall not apply to municipalities located in whole or in part in the metropolitan area as defined in section 473.122.~~

#### ARTICLE XXIV: OLMSTED COUNTY

Section 1. [OLMSTED COUNTY RECORDER'S FEES.]

*The Olmsted County recorder may waive the security deposit requirement of Minnesota Statutes, Section 386.78, and extend credit for the payment of charges to financial institutions and attorneys.*

Sec. 2. [EFFECTIVE DATE.]

*This article is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the Olmsted County board.*

#### ARTICLE XXV: SOUTH ST. PAUL PORT AUTHORITY

Section 1. [SOUTH ST. PAUL; PORT AUTHORITY.]

*The governing body of the city of South St. Paul may exercise all the powers of a port authority provided by Minnesota Statutes, Chapter 458.*

Sec. 2. [LOCAL APPROVAL.]

*This article is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of South St. Paul.*

#### ARTICLE XXVI: CAMPAIGN FINANCING

Section 1. Minnesota Statutes 1981 Supplement, Section 10A.31, Subdivision 5, is amended to read:

Subd. 5. In each calendar year the moneys in each party account and the general account shall be allocated to candidates as follows:

- (1) 21 percent for the offices of governor and lieutenant governor together;
- (2) 3.6 percent for the office of attorney general;
- (3) 1.8 percent each for the offices of secretary of state, state auditor and state treasurer;
- (4) In each calendar year during the period in which state senators serve a four year term, 23-1/3 percent for the office of state senator and 46-2/3 percent for the office of state representative;
- (5) In each calendar year during the period in which state senators serve a

two year term, 35 percent each for the offices of state senator and state representative;

(6) To assure that moneys will be returned to the counties from which they were collected, and to assure that the distribution of those moneys rationally relates to the support for particular parties or for particular candidates within legislative districts, moneys from the party accounts for legislative candidates shall be distributed as follows:

Each candidate for the state senate and state house of representatives whose name is to appear on the ballot in the general election shall receive moneys from his party account set aside for candidates of the state senate or state house of representatives, whichever applies, according to the following formula;

For each county within his district the candidate's share of the dollars allocated in that county to his party account and set aside for that office shall be:

(a) The sum of the votes cast in the last general election in that part of the county in his district for all candidates of his party (i) whose names appeared on the ballot in each voting precinct of the state and (ii) for the state senate and state house of representatives, divided by

(b) The sum of the votes cast in that county in the last general election for all candidates of his party (i) whose names appeared on the ballot in each voting precinct in the state and (ii) for the state senate and state house of representatives, multiplied by

(c) The amount in his party account allocated in that county and set aside for the candidates for the office for which he is a candidate.

The sum of all the county shares calculated in the formula above is the candidate's share of his party account.

In a year in which an election for the state senate occurs, with respect to votes for candidates for the state senate only, "last general election" means the last general election in which an election for the state senate occurred.

For any party under whose name no candidate's name appeared on the ballot in each voting precinct in the state in the last general election, "last general election" means the last general election in which the name of a candidate of that party appeared on the ballot in each voting precinct in the state.

*In a year in which the first election after a legislative reapportionment is held, "his district" means the newly drawn district, and voting data from the last general election will be applied to the area encompassing the newly drawn district notwithstanding that the area was in a different district in the last general election.*

If in a district there was no candidate of a party for the state senate or state house of representatives in the last general election, or if a candidate for the state senate or state house of representatives was unopposed, the vote for that office for that party shall be the average vote of all the remaining candidates of that party in each county of that district whose votes are included in the sums in clauses (a) and (b). The average vote shall be added to the sums in clauses (a) and (b) before the calculation is made for all districts in the county.

Money from a party account not distributed to candidates for state senator and representative in any election year shall be returned to the general fund of



the state. Money from a party account not distributed to candidates for other offices in an election year shall be returned to the party account for reallocation to candidates as provided in clauses (1) to (6) of this subdivision in the following year. Moneys from the general account refused by any candidate shall be distributed to all other qualifying candidates in proportion to their shares as provided in this subdivision.

#### ARTICLE XXVII: RENTER'S CREDIT

Section 1. Minnesota Statutes 1981 Supplement, 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.20 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 claim for rent constituting property taxes 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 property owner was a part year resident, the income reflected in the computation made pursuant to section 290A.04 shall be for the entire calendar year, including income not assignable to Minnesota.

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. 2. [EFFECTIVE DATE.]

*Section 1 is effective for claims based on rent paid in 1982 and thereafter.*

ARTICLE XXVIII: SPECIAL SERVICE DISTRICTS

Section 1. [DEFINITIONS.]

*Subdivision 1. For the purpose of sections 1 to 12 the terms defined in this section have the following meanings.*

*Subd. 2. "Municipality" means the city of Minneapolis or the city of St. Cloud, whichever is applicable.*

*Subd. 3. "Special services" means all services rendered or contracted for by a municipality, including, but not limited to, (a) the repair, maintenance, operation and construction of any improvements authorized by Minnesota Statutes, Section 429.021; (b) parking services rendered or contracted for by a municipality; and (c) any other service provided to the public by a municipality authorized by any law or charter provision to provide the service. Special services shall not include services which are ordinarily provided throughout the municipality from general fund revenues of the municipality unless an increased level of the service is provided in the special service district.*

*Subd. 4. "Special service district" means a defined area within a municipality in which special services are rendered and the costs of the special services are paid from revenues collected from taxes and service charges imposed within that area.*

*Subd. 5. "Assessed value" means the assessed value as most recently certified by the commissioner of revenue as of the effective date of the ordinance or resolution adopted pursuant to section 2 or 3.*

*Subd. 6. "Land area" means the land area located within the district which is subject to property taxation.*

Sec. 2. [ESTABLISHMENT OF SPECIAL SERVICE DISTRICT.]

*Subdivision 1. [ORDINANCE.] The governing body of a municipality may adopt an ordinance establishing a special service district. The ordinance shall describe with particularity the area within the municipality to be included in the district and the special services to be furnished within the district. The ordinance may not be adopted until after a public hearing has been held on the question. Notice of the hearing shall include:*

*(a) The time and place of hearing;*

*(b) The boundaries of the area by legal description and by street location where possible; and*

*(c) A statement that all persons owning property in the proposed special service district will be given opportunity to be heard at the hearing.*

*Subd. 2. [NOTICE.] Notice of the hearing shall be given by publication in two issues of the official newspaper of the municipality. The two publications shall be a week apart and the hearing shall be held at least three days after the last publication. Not less than ten days before the hearing, notice shall also be mailed to the owner of each parcel within the area proposed to be included in*

*the special service district. For the purpose of giving mailed notice, owners shall be those shown on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer. Other records may be used to supply the necessary information. For properties which are tax exempt or subject to taxation on a gross earnings basis in lieu of property tax and are not listed on the records of the county auditor or the county treasurer, the owners shall be ascertained by any practicable means and mailed notice given them. At the public hearing any person affected by the proposed special services district may be heard orally in respect to any issues embodied in the notice. The hearing may be adjourned from time to time and the ordinance establishing the special services district may be adopted at any time within six months after the date of the conclusion of the hearing by a vote of the majority of the governing body of the municipality.*

**Sec. 3. [RATE OF TAX; NOTICE AND HEARING REQUIREMENTS.]**

*Subdivision 1. [TAXES; HEARING.] Ad valorem taxes may be levied on taxable real property or service charges may be imposed by the municipality within the special service district at a rate or amount sufficient to produce revenues required to provide special services within the district. For purposes of determining the appropriate mill rate, taxable property or value shall be determined without regard to captured or original assessed value under section 273.76 or to the distribution or contribution value under section 473F.08. Taxes and service charges shall not be imposed to finance a special service if the service is ordinarily provided by the municipality from general fund revenues of the municipality unless the service is provided in the special service district at an increased level, in which case only an amount to pay for the increased level may be imposed. A service charge shall not be imposed on the receipts from the sale of intoxicating liquor, food, or lodging. Prior to the levy of taxes or imposition of service charges in a special service district, for each calendar year notice shall be given and hearing shall be held pursuant to section 2 except that notice shall also be mailed to any individual or business organization subject to a service charge. For purposes of this section the notice shall also include:*

*(a) A statement that all interested persons will be given an opportunity to be heard at the hearing regarding a proposed tax levy or service charge.*

*(b) The estimated cost of improvements to be paid for in whole or in part by taxes or service charges imposed pursuant to this section, the estimated cost of operating and maintaining the improvements during the first year after completion of the improvements, and the proposed method and source of financing the improvements and the annual cost of operating and maintaining the improvements.*

*(c) The proposed rate or amount of taxes to be extended or the proposed service charge to be imposed in the special service district during the calendar year and the nature and character of special services to be rendered in the special service district during the calendar year.*

*(d) A statement that the petition requirements of section 9 have either been met or do not apply to the proposed taxes or service charge.*

*Within six months of the public hearing, the municipality may adopt a resolution levying a tax or imposing a service charge within the special service*

*district not exceeding the amount or rate expressed in the notice issued pursuant to this section.*

*Subd. 2. [EXEMPTION OF CERTAIN PROPERTIES FROM TAXES.] Property exempted from taxation by Minnesota Statutes, Section 272.02, shall be exempted from any ad valorem taxes imposed pursuant to sections 1 to 12.*

**Sec. 4. [ENLARGEMENT OF SPECIAL SERVICE DISTRICTS.]**

*Boundaries of a special service area may be enlarged only after hearing and notice as provided in sections 2 and 3. Notice shall be served in the original special service district and in the area proposed to be added to the special service district. Property added to the district shall be subject to all taxes levied and service charges imposed within the district after the property becomes a part of the district. The petition requirement in section 9 and the veto power in section 10 shall only apply to owners and individuals and business organizations in the area proposed to be added to the special service district.*

**Sec. 5. [COLLECTION OF TAXES.]**

*Ad valorem taxes levied within a special service district shall be collected and paid over as other taxes, but shall be spread only upon the assessed value of property described in the ordinance. Service charges imposed shall be collected as provided by ordinance. Ad valorem taxes levied pursuant to this chapter shall be remitted directly to the municipality notwithstanding Minnesota Statutes, Section 273.76 and Chapter 473F.*

**Sec. 6. [BONDS.]**

*At any time after a contract for the construction of all or part of an improvement authorized pursuant to this chapter has been entered into or the work has been ordered done by day labor, the governing body may issue obligations in the amount it deems necessary to defray in whole or in part the expense incurred and estimated to be incurred in making the improvement, including every item of cost from inception to completion and all fees and expenses incurred in connection with the improvement or its financing. The obligations shall be payable primarily out of the proceeds of the tax levied pursuant to section 3. The governing body may, by resolution adopted prior to the sale of obligations, pledge the full faith, credit and taxing power of the municipality to assure payment of the principal and interest if the proceeds of the tax levy in the district are insufficient to pay the principal and interest. Obligations shall be issued in accordance with Minnesota Statutes, Chapter 475, except that an election shall not be required, and the amount of the obligations shall not be included in determining the net indebtedness of the municipality under the provisions of any law or charter limiting indebtedness.*

**Sec. 7. [LEVY LIMIT EXCEPTION.]**

*Taxes and service charges imposed pursuant to this act shall not be included in the calculation of levies or limits on levies provided by other law or home rule charter provision.*

**Sec. 8. [ADVISORY BOARD.]**

*The governing body of a municipality may create and appoint an advisory board for each special service district in the municipality to advise the governing body in connection with the construction, maintenance and operation of*

*improvements and the furnishing of special services in a special service district. The advisory board shall make recommendations to the governing body on the requests and complaints of owners, occupants and users of property within the special service district and members of the public. Prior to the adoption of any proposal by the governing body to provide services or impose taxes or service charges within the special service district, the advisory board of the special service district shall review and comment upon such proposal. Each advisory board shall be appointed at least 30 days prior to the date of a public hearing on the ordinance proposing the establishment of the special service district. Seventy-five percent of the members of each advisory board shall be owners or occupants of property located in the special service district or their representatives. If, following the adoption of the special service district boundaries, fewer than 75 percent of the members are owners or occupants of property located in the district or their representatives, the governing body shall dismiss or appoint advisory board members as necessary to assure 75 percent representation of owners or occupants of district properties. Each advisory board may elect an executive secretary, who need not be a member of the board, to keep its minutes, records and correspondence and to communicate with the governing body and other officials and with the owners, occupants and users of property located within the special service district. Administrative expenses of the advisory board shall be paid from the proceeds of taxes and service charges collected in the special service district.*

#### Sec. 9. [PETITION REQUIRED.]

*No public hearing may be held pursuant to section 2 unless owners of ten percent or more of the land area of the proposed special service district and owners of ten percent or more of the assessed value of the proposed special service district file a petition requesting the public hearing with the city clerk of the municipality where the special service district is located. No public hearing may be held pursuant to section 3 to impose an ad valorem tax unless owners of ten percent or more of the land area subject to a proposed tax and owners of ten percent or more of the assessed value subject to a proposed tax file a petition requesting the public hearing with the city clerk of the municipality where the special service district is located. No public hearing may be held pursuant to section 3 to impose a service charge unless ten percent or more of the individual or business organizations subject to the proposed service charge file a petition requesting the public hearing with the city clerk. If the boundaries of the proposed special service district are changed or the land area or assessed value subject to a tax or the individuals or business organizations subject to a service charge are changed after the public hearing, a petition meeting the requirements of this section must be filed with the city clerk before the ordinance establishing the district or resolution imposing the tax or service charge may become effective.*

#### Sec. 10. [VETO POWER OF OWNERS.]

*Subdivision 1. [NOTICE OF RIGHT TO FILE OBJECTIONS.] Except as provided in section 11, the effective date of any ordinance or resolution adopted pursuant to sections 2 and 3 shall be at least 45 days after it is adopted. Within five days after adoption of the ordinance or resolution, a copy of the ordinance or resolution shall be mailed to the owner of each parcel included in the special service district and any individual or business organization subject to a service charge in the same manner as notice is mailed*

pursuant to section 2. The mailing shall include a notice that owners subject to a tax and individuals and business organizations subject to a service charge have a right to veto the ordinance or resolution by filing the required number of objections with the city clerk before the effective date of the ordinance or resolution.

*Subd. 2. [REQUIREMENTS FOR VETO.] If owners of a majority of the land area in the special service district or owners of a majority of the assessed value in the special service district file an objection to the ordinance adopted by the municipality pursuant to section 2 with the city clerk before the effective date of the ordinance, the ordinance shall not become effective. If owners of a majority of the land area subject to a tax and owners of a majority of the assessed value subject to a tax file an objection to the resolution adopted by the municipality levying an ad valorem tax pursuant to section 3 with the city clerk before the effective date of the resolution, the resolution shall not become effective. If the majority of individuals and business organizations subject to a service charge file an objection to the resolution adopted by the municipality imposing a service charge pursuant to section 3 with the city clerk before the effective date of the resolution, the resolution shall not become effective.*

**Sec. 11. [EXCLUSION FROM PETITION REQUIREMENTS AND VETO POWER.]**

*The petition requirement of section 9 and the right of owners and those subject to a service charge to veto a resolution in section 10 shall not apply to second or subsequent years' applications of a tax or service charge which is authorized to be in effect for more than one year pursuant to a resolution which has met the petition requirements of section 9 and which has not been vetoed under section 10 for the first year's application. A resolution levying a tax or imposing a service charge for more than one year shall not be adopted unless the notice of public hearing required by section 3 and the notice mailed with the adopted resolution pursuant to section 10 include the following information:*

*(a) In the case of improvements, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years the taxes will be levied or service charges imposed to pay for the improvement.*

*(b) In the case of operating and maintenance services, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years, or a statement that the tax will be imposed for an indefinite number of years, the taxes will be levied or service charges imposed to pay for operation and maintenance services.*

*The resolution may provide that the maximum amount of tax to be levied or maximum service charge to be imposed in any year will increase or decrease from the maximum amount authorized in the preceding year based on an indicator of increased cost or a percentage amount established by the resolution.*

**Sec. 12. [LIMITATION.]**

*No special service district may be established pursuant to the provisions of sections 1 to 11 after June 30, 1986.*

**Sec. 13. [APPLICABILITY.]**

*On its effective date, sections 1 to 12 apply to the cities of Minneapolis and St. Cloud, subject to section 12.*

Sec. 14. [LOCAL APPROVAL.]

*Sections 1 to 12 are effective for the cities of Minneapolis and St. Cloud, upon the approval of the governing body of the city, but only for the city that approves it.*

ARTICLE XXIX: PRODUCTION TAX''

Page 6, line 4, after "to" insert "the unorganized territory number 2 of"

Page 6, line 7, after "to" insert "the unorganized territory number 2 of"

Page 6, line 8, delete "Stoney" and insert "Stony"

Page 8, after line 16, insert:

"Sec. 2. [APPLICABILITY.]

*On its effective date, section 1 applies to the town of Stony River, the town of Beaver Bay, and Lake County.*

Sec. 3. [LOCAL APPROVAL.]

*Section 1 is effective for the town of Stony River, the town of Beaver Bay, and Lake County upon approval by the governing body of each."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "adopting certain changes in federal income tax law; eliminating the allocation of federal income tax deduction between spouses; modifying certain unitary tax provisions; altering the rate and application of the research and development credit and extending its carryover; extending the duration of the energy credit; providing a system of levy limitations; delaying the effective date of the coefficient of dispersion penalty; providing for household treatment for certain leasehold cooperatives; clarifying the neighborhood real estate trust provision; requiring registration of rental housing property in the city of Minneapolis and denying certain income tax deductions for owners who fail to comply with the requirement; allowing the waiver of property taxes on certain property located in municipal development districts; authorizing the city of Minneapolis to provide property tax reductions for lower income rental property; changing certain procedures and interest rates applicable to delinquent property taxes and tax-forfeited land sales; clarifying certain gravel tax provisions; authorizing the issuance of bonds for court facilities for the city of Bloomington and for a jail for Lake County; allowing cities, counties and school districts to acquire property under lease-purchase agreements and providing that the property be exempt from taxation; reducing the rate of interest on estate tax installment payments; changing the effective date of certain estate tax provisions to conform with federal law; providing for the taxation of sales of tangible personal property transported out of the state; clarifying the taxation of the income of athletes and entertainers; providing means of varying agricultural and commercial property; requiring a study of financial problems of border communities; authorizing the cities of Duluth, Moorhead, East Grand Forks, and Breckenridge to adopt varying property tax assessment ratio systems; eliminating property tax refunds for

residents in tax-exempt nursing homes; imposing a transient lodging tax in the city of St. Paul; allowing issuance of bonds to promote tourism projects in the metropolitan area; authorizing a waiver of certain deposits of Olmsted County; establishing a port authority for the city of South St. Paul; providing for distribution of campaign funds after reapportionment; authorizing the creation of special services districts in the cities of Minneapolis and St. Cloud;"

Page 1, line 3, delete "certain taxing jurisdictions" and insert "the town of Stony River, the town of Beaver Bay, and Lake County"

Page 1, line 4, delete "1981 Supplement, Section" and insert "1980, Sections 168.012, by adding a subdivision; 270.75, by adding a subdivision; 273.11, by adding a subdivision; 273.13, Subdivision 17d; 273.133, by adding a subdivision; 275.51, by adding a subdivision; 278.08; 279.37, Subdivisions 1 and 2, and by adding a subdivision; 282.01, Subdivision 4, and by adding a subdivision; 282.04, by adding a subdivision; 282.08; 282.261; 290.067, Subdivision 1; 290.095, by adding a subdivision; 290.16, Subdivisions 15, as amended, and 16, as amended; 290.19, Subdivision 1; 290.92, Subdivision 4a; 291.015, as amended; 291.051, Subdivision 1, as amended; 291.09, Subdivision 1a, as amended; 291.15; 297B.03; 298.75, Subdivisions 5 and 6; 465.71; and 474.02, Subdivision 1b; Minnesota Statutes 1981 Supplement, Sections 10A.31, Subdivision 5; 273.11, Subdivision 7; 273.13, Subdivision 15b, as amended; 275.50, Subdivisions 2 and 5, as amended; 275.51, Subdivision 4; 279.03; 290.01, Subdivision 20, as amended; 290.06, Subdivision 14; 290.09, Subdivisions 1, 7, as amended, and 29; 290.091, as amended; 290.17, Subdivision 2, as amended; 290.18, Subdivision 2; 290.21, Subdivision 4, as amended; 290.92, Subdivision 15; 290.93, Subdivision 1; 290.934, Subdivision 4; 290A.03, Subdivisions 3, 8 and 12; 291.03, Subdivision 3, as amended; 297A.25, Subdivision 1, as amended;"

Page 1, line 5, after "1" insert "298.75, Subdivisions 1 and 2; 298.76; 477A.04, Subdivision 2; and 474.03; and Laws 1961, Chapter 605, Section 1; Laws 1981, Third Special Session Chapter 2, Article III, Sections 6 and 22 and Article VI, Section 8; proposing new law coded in Chapter 275; repealing Minnesota Statutes 1980, Section 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; and Minnesota Statutes 1981 Supplement, Section 275.51, Subdivision 3e, as amended"

And when so amended the bill do pass. Amendments adopted. Report adopted.

## SECOND READING OF SENATE BILLS

S.F. No. 2082 was read the second time.

Without objection, remaining on the Order of Business of Motions and Resolutions, 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 File, herewith transmitted: H.F. No. 1872.



Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 5, 1982

### FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 1872: A bill for an act relating to the financing of government in this state; extending the effective date of residential energy credits; providing the interest rate maximum on certain public indebtedness; exempting certain towns from general levy limits; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; making technical corrections and administrative changes to the income tax and property tax refund; clarifying the taxation of gravel and the distribution of revenue; validating certain tax collections by Clay County; providing for allocation of income for nonresident athletes and entertainers; providing for apportionment of income for athletic teams; permitting leases and installment purchases of equipment by local governments and providing for their tax and fiscal treatment; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; providing for the collection of taxes; altering the date on which warrants are issued to the sheriff for collection of certain delinquent mobile home property taxes; clarifying the taxation of meals and food products for sales tax purposes; imposing a tax on on-sales of liquor and fermented malt beverages; providing for the financing of certain chemical dependency programs; providing for the lease of hydropower sites by the state or local governmental units; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; providing for reassessment of homestead property damaged by a disaster; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982; providing for withholding of income tax refunds from child support debtors; providing for taxation of certain motor vehicles and combinations in the ninth and succeeding years of vehicle life; permitting the towns of Erin, Forest, Webster, and Wheatland in Rice County to impose a special levy for fire protection purposes; adopting certain federal definitions for purposes of the credit for research and experimental expenditures; providing for homestead treatment of certain condominium leased land; clarifying the homestead classification in certain cases of joint tenancy; clarifying use of additional sales ratio study information; allowing disclosure of private data to permit vendor processing of income and sales tax returns; redefining rent constituting property taxes; providing for the rate and disposition of certain taconite credits; providing for school bonds and related taxation in certain school districts; providing that landowners in unorganized townships receive a property tax credit for certain high voltage transmission lines; providing for the imposition of sales tax on certain retail sales of manufactured homes; allowing a levy limit increase for Clearwater County; granting the city of Bloomington port authority certain redevelopment financing powers; requiring county auditors to combine certain legal descriptions for property tax purposes; providing for sales of unstamped cigarettes to members of Indian tribes; imposing a fee on completion of tax forfeited land sales; revising the metropolitan agricultural preserves act; adopting certain federal income tax amendments; adopting federal income tax treatment of unemployment compensation; increasing the rate of interest

allowed on certain contracts for deed qualifying for an income tax exclusion; altering the adoption of accelerated cost recovery system; exempting plant material from the sales tax; providing a freeze on property taxes paid on the first \$50,000 of market value of homesteads owned by elderly persons; imposing penalties; appropriating money; amending Minnesota statutes 1980, Sections 105.482, Subdivision 1, and by adding subdivisions; 168.012, by adding a subdivision; 270.06; 270.07, Subdivision 1; 270.10, Subdivision 1; 270.70, Subdivisions 1, 2, 3, and 5, and by adding subdivisions; 272.02, Subdivision 1; 273.111, Subdivisions 9, 11, and by adding a subdivision; 273.121; 273.13, Subdivision 7c; 273.42, as amended; 273.425; 274.19, Subdivision 3; 278.01; 278.05, Subdivisions 2 and 4; 282.014; 282.09, Subdivision 1; 290.01, by adding a subdivision; 290.012, Subdivision 2; 290.02; 290.03; 290.032, Subdivision 5; 290.06, Subdivisions 9 and 9a; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivision 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.16, Subdivision 15, as amended, and 16, as amended; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.36; 290.45, Subdivisions 1 and 2; 290.48, Subdivisions 3, 4, 6, and 8; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.50, by adding a subdivision; 290.53, Subdivisions 2 and 5, and by adding a subdivision; 290.54; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivisions 4a, 13, and 23; 290.93, Subdivision 9; 290.936; 290A.03, by adding a subdivision; 290A.11, by adding a subdivision; 296.01, Subdivision 8; 296.14, Subdivision 1; 296.17, Subdivision 11; 297A.33, Subdivision 2; 297A.39, Subdivisions 2 and 5; 297A.43; 297B.03; 465.71; 473H.02, Subdivision 2, 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.14; 473H.15, by adding a subdivision; 473H.16, Subdivision 3; 475.55, Subdivision 1, and by adding a subdivision; 508.25; 559.21; by adding a subdivision; 580.15; Minnesota Statutes 1981 Supplement, Sections 168.013, Subdivision 1e; 270.063; 270.66; 270.75, Subdivisions 4, as amended, and 5, as amended; and by adding a subdivision; 272.46; 273.11, Subdivision 1; 275.50, Subdivision 2; 290.01, Subdivisions 20, as amended, and 27; 290.05, Subdivisions 1 and 4; 290.06, Subdivision 14; 290.075; 290.081; 290.09, Subdivisions 4, 7, as amended, 15, and 29; 290.091, as amended; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.17, Subdivision 2; 290.18, Subdivisions 1 and 2; 290.21, Subdivision 3; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.61; 290.92, Subdivisions 2a, 5, 5a, 6 and 15; 290.93, Subdivisions 1 and 10; 290.934, Subdivision 4; 290.9725; 290.974; 290A.03, Subdivisions 3, 8, 11, and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; 296.12, Subdivision 4; 297A.01, Subdivision 3; 297A.25, Subdivision 1, as amended; 298.225; 298.24, Subdivision 3; 298.75; Laws 1980, Chapter 453, by adding a section; Laws 1981, Third Special Session Chapter 2, Article III, Section 6; proposing new law coded in Minnesota Statutes, Chapters 270, 273, 290, 295, 297, 297A, 340, and 473H; repealing Minnesota Statutes 1980, Sections 62E.03, Subdivision 2; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.48, Subdivisions 1 and 9; 290.51; 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; 290.97; 290.973; 297A.33, Subdivision 6; 297A.36; 297A.39, Subdivision 6; 297A.40, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6;

290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; 290.48, Subdivision 2; 290.971, Subdivision 7; and 298.76.

Mr. Moe, R.D. moved that H.F. No. 1872 be laid on the table. The motion prevailed.

#### **MEMBERS EXCUSED**

Mr. Solon was excused from the Session of today at 9:00 p.m.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Saturday, March 6, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## EIGHTY-THIRD DAY

St. Paul, Minnesota, Saturday, March 6, 1982

The Senate met at 10:00 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 Malone.

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	Kamrath	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. Keefe was excused from the Session of today. Ms. Berglin was excused from the Session of today from 10:00 to 10:50 a.m. Mr. Sieloff was excused from the Session of today from 10:00 to 10:45 a.m.

### 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. 1856: A bill for an act relating to state government; improving the

state's personnel management functions; amending Minnesota Statutes 1980, Sections 6.582; 11A.07, Subdivision 4; 12.04, Subdivision 1; 15.0575, Subdivision 3; 15.059, Subdivision 3; 15.43, Subdivision 1; 60B.09, Subdivision 2; 84.028, Subdivision 3; 84.081, Subdivision 1; 85A.03, Subdivision 2; 124.645, Subdivision 3; 128A.02, Subdivision 3; 136A.55, Subdivision 4; 144A.52, Subdivision 2; 168.325, Subdivision 1; 171.015, Subdivision 1; 216A.04, Subdivision 3; 241.64, Subdivision 3; 241.65; 246.017, Subdivision 2; 299E.01, Subdivision 1; 299F.01, Subdivision 2; and 352D.02, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 3.855, Subdivision 3; 43A.02, Subdivision 28; 43A.04, Subdivisions 3, 4, and by adding a subdivision; 43A.05, Subdivision 4; 43A.08, Subdivisions 1, 3, and by adding subdivisions; 43A.11, Subdivisions 3, 4, 7 and 8; 43A.13, Subdivisions 1, 4 and 5; 43A.15, Subdivisions 6 and 10; 43A.17, Subdivision 4; 43A.18, Subdivisions 3 and 4; 43A.19, Subdivision 1; 43A.27, Subdivision 3; 43A.33, Subdivisions 1, 3 and 4; 43A.37, Subdivision 1; 43A.38; 43A.39; 43A.41, Subdivision 4; 43A.42; 43A.44, Subdivision 2; 124.41, Subdivision 3; 254A.03, Subdivision 1; 352D.02, Subdivision 1; and 462A.04, Subdivision 8; Laws 1971, Extra Session, Chapter 3, Section 19, Subdivision 5; Laws 1980, Chapter 564, Article XII, Section 1, Subdivision 6; Laws 1981, Chapter 210, Section 55; repealing Minnesota Statutes 1980, Sections 12.05; 124.615, Subdivision 3; 190.081; and 190.095; and Minnesota Statutes 1981 Supplement, Section 43A.08, Subdivision 2.

Senate File No. 1856 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 5, 1982

Mr. Spear moved that the Senate do not concur in the amendments by the House to S. F. No. 1856, 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. 1613: A bill for an act relating to state departments and agencies; regulating the disposition of certain land within the capitol area; amending Minnesota Statutes 1981 Supplement, Section 15.50, Subdivision 6.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 5, 1982

Mr. Moe, R.D. moved S.F. No. 1613 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. 2095: A bill for an act relating to state government; implementing

the provisions of certain reorganization orders issued by the commissioner of administration; amending Minnesota Statutes 1980, Sections 176.281; and 474.01, Subdivisions 7a and 7b; and Minnesota Statutes 1981 Supplement, Section 474.03.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 5, 1982

Mr. Moe, R.D. moved that S.F. No. 2095 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. 1689: A bill for an act relating to the operation of state government; authorizing the legislative auditor to approve contracts for auditing state agencies; clarifying certain provisions regarding the term of the legislative auditor; modifying authority of the housing finance agency and certain other agencies to contract for audits without approval; amending Minnesota Statutes 1980, Sections 3.97, Subdivision 4; 3.972; and 462A.22, Subdivision 10.

Senate File No. 1689 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 5, 1982

Mr. Moe, R.D. moved that S.F. No. 1689 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. 438, 917, 1743, 1994, 2057, 1278, 612 and 1867.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 5, 1982

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 438: A bill for an act relating to retirement; authorizing certain persons in various retirement funds to purchase prior service credit and military service credit; authorizing an amendment to the articles of incorporation of the Minneapolis teachers retirement fund association; allowing a surviving spouse to elect a joint and survivor annuity under certain circumstances; amending Minnesota Statutes 1981 Supplement, Section 354.46, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 419, now on the Calendar.

H.F. No. 917: A bill for an act relating to retirement; authorizing special

coverage for members of the Minnesota state retirement system prohibited from performing specified duties after age 60; clarifying various aspects of the special retirement program for certain employees of the department of military affairs; amending Minnesota Statutes 1980, Section 352.85, Subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, Chapter 352.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 881, now on General Orders.

H.F. No. 1743: A bill for an act relating to courts; authorizing courts to obtain the presence of persons confined in state institutions for court appearances; proposing new law coded in Minnesota Statutes, Chapter 589.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1686, now on General Orders.

H.F. No. 1994: A bill for an act relating to financial institutions; permitting certain shared appreciation mortgages; providing that the mortgage becomes due and payable upon its sale or transfer; authorizing bank or trust company investment in community welfare projects; amending Minnesota Statutes 1980, Section 48.61, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 4b.

Referred to the Committee on Employment.

H.F. No. 2057: A bill for an act relating to state government; allowing for disclosures of information between the commissioner of revenue and the department of economic security; amending Minnesota Statutes 1980, Section 268.12, Subdivision 12; and Minnesota Statutes 1981 Supplement, Section 290.61.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 1278: A bill for an act relating to public employment labor relations; clarifying the definition of "employer"; amending Minnesota Statutes 1980, Section 179.63, Subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1234, now on General Orders.

H.F. No. 612: A bill for an act relating to cable communications; changing the definition of cable communications system; reducing the number of days available to the metropolitan council for review of cable service territory proposals; conforming the certificate of confirmation term to the franchise term; authorizing rules preventing obstruction of service to multiple unit dwellings; providing to municipalities the option concerning cable service rates information included in a franchise; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.03; 238.05, Subdivision 7, and by adding a subdivision; 238.09, Subdivisions 6 and 7, and by adding a subdivision; Section 238.12, Subdivisions 1 and 2.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 1867: A bill for an act relating to insurance; authorizing the commissioner to enjoin violations of chapter 60A; eliminating certain mandatory filings with the commissioner of insurance; providing certain exceptions to variable contract license requirements; amending Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivisions 6c and 13; repealing Minnesota

Statutes 1980, Section 72A.062.

Referred to the Committee on Commerce.

### REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1504: A bill for an act relating to health; establishing the right to complete information on all alternative treatments for patients with breast cancer; amending Minnesota Statutes 1980, Section 144.651.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 36, delete "and" and insert "or"

Page 5, line 2, delete "treatments" and insert "effective"

Page 5, line 3, delete the new language and insert "methods of treatment of which the treating physician is knowledgeable, including surgical, radiological, or chemotherapeutic treatments or combinations of treatments and the risks associated with each potential method of treatment that is effective"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

S.F. No. 1887: A bill for an act relating to corrections; creating the Minnesota board of supervised release; prescribing its powers and duties; appropriating money; amending Minnesota Statutes 1980, Sections 241.05, Subdivisions 1, 2, 3, 3a, and by adding a subdivision; 244.01, Subdivision 7, and by adding a subdivision; 244.05, Subdivisions 2, 3, and 5; 244.06; 244.065; Minnesota Statutes 1981 Supplement, Sections 241.045, Subdivision 6; and 243.05; repealing Minnesota Statutes 1980, Sections 241.045, Subdivisions 7 and 8; 243.07; 243.10; 243.12; and 244.08.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 1980, Section 241.045, Subdivision 3, is amended to read:

Subd. 3. [TERM OF OFFICE; REAPPOINTMENT.] *The first two members of the board appointed by the governor shall have been members of the corrections board on March 1, 1982, and shall be appointed to serve until June 30, 1983. At all times thereafter, there shall be at least one female board member. The members next appointed to the board of supervised release by the governor shall be appointed to serve for the following terms: one member for three years and one member for six years. Thereafter, the members of the board shall serve for terms of six years. Members shall be eligible for reappoint-*



ment.”

Page 4, line 5, strike “an” and before “person” insert “a”

Page 5, line 15, delete “subject to the”

Page 5, delete line 16

Page 5, line 17, delete “consistency” and insert “consistent”

Page 5, line 25, before the period, insert “for review”

Page 5, line 26, delete “approved” and insert “reviewed”

Page 5, line 28, delete “implementaion” and insert “implementation”

Page 6, line 1, delete “thereof” and insert “of parole”

Page 6, line 2, delete “as shall satisfy” and insert “that satisfies”

Page 6, line 4, delete “shall have” and insert “has”

Page 6, line 12, delete “may deem” and insert “deems”

Page 6, line 31, after “release” insert “, parole,”

Page 7, line 20, strike “an” and before “person” insert “a”

Page 8, delete section 16 and insert:

“Sec. 16. [APPROPRIATION.]

*The appropriation to the commissioner of corrections by Laws 1981, Chapter 360, Article 1, Section 4, Subdivision 2, to perform the responsibilities formerly assigned to the Minnesota corrections board is reappropriated to the commissioner for the Minnesota board of supervised release for fiscal year 1983.”*

Page 9, line 2, delete “the day after final”

Page 9, delete line 3 and insert “July 1, 1982.”

And when so amended the bill do pass: Amendments adopted. Report adopted.

Mr. Solon from the Committee on Health, Welfare and Corrections, to which was referred

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.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 26, delete “may” and insert “shall” and delete “one all”

Page 1, line 27, delete “inclusive rate or”

Page 2, after line 18, insert:

"Sec. 2. Minnesota Statutes 1980, Section 246.50, Subdivision 6, is amended to read:

Subd. 6. "Relatives" means the spouse, and parents and, in the case of the mentally ill *or chemically dependent*, children of a patient, in that order of liability for cost of care."

Page 2, line 29, strike "However, in"

Page 2, lines 30 to 36, strike the old language and delete the new language

Page 3, line 1, strike the old language and delete the new language

Page 3, line 2, strike "reside in Minnesota."

Page 3, line 4, delete "*the parent, spouse, conservator or guardian*" and insert "*relatives,*" and after "*both*" insert a comma

Page 3, line 5, delete "*such*" and insert "*the*" and delete "*as*" and insert "*when*"

Page 3, line 14, delete the new language

Page 3, line 20, delete everything after the period

Page 3, delete lines 21 to 25

Page 3, line 26, delete everything before "*These*"

Page 3, after line 27, insert:

"Sec. 4. Minnesota Statutes 1981 Supplement, Section 246.511, is amended to read:

#### 246.511 [RELATIVE RESPONSIBILITY.]

~~Notwithstanding the provisions of Laws 1981, Chapter 360, Article I, Section 2, Subdivision 5, 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's relatives, pursuant to the commissioner's authority under section 246.51, be ordered to pay more than ten percent of the cost of care, unless they reside outside the state. The commissioner may accept voluntary payments in excess of ten percent. The commissioner may require full payment of the full per capita cost of care in state hospitals for patients whose parent, parents, spouse, guardian or conservator do not reside in Minnesota.~~

Page 4, after line 4, insert:

"Subd. 2. [RELATIVE'S ESTATE.] *Upon the death of a relative liable for the cost of care provided to a patient at a state hospital, the total amount due from the relative, less the amount actually paid by the relative, shall be filed by the commissioner as a claim against the estate of the relative with the court having jurisdiction to probate the estate and all proceeds collected shall be divided in the same manner as proceeds from a patient's estate.*"

Page 4, line 5, delete "2" and insert "3"

Page 4, line 10, strike "shall determine" and insert "*determines*"

Page 4, line 11, strike "such" and after "patient" insert "*or relative*" and strike "to" and after "than" insert "*needed to*"

Page 4, line 12, strike "wife" and insert "spouse"

Page 4, line 13, strike "such" and insert "a" and after "patient" insert "or relative" and strike "he shall have" and insert "the commissioner has"

Page 4, line 14, strike "such" and insert "a" and strike everything after "manner"

Page 4, line 15, strike everything before "just" and insert "deemed"

Page 4, line 16, delete "3" and insert "4"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete "Subdivision" and insert "Subdivisions" and after "5" insert "and 6"

Page 1, line 11, delete "and" and before the period, insert "; and Minnesota Statutes 1981 Supplement, Section 246.511"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Public Employees and Pensions, to which was referred

S.F. No. 1661: A bill for an act relating to retirement; local police and salaried firefighters relief associations; providing minimum disability benefit coverage for certain police officers and firefighters; proposing new law coded in Minnesota Statutes, Chapter 423A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, after line 13, insert:

"Sec. 2. [423A.11] [RECOMPUTATION OF A DISABILITY BENEFIT AS A SERVICE PENSION.]

*Subdivision 1. [TERMINATION OF DISABILITY BENEFIT.] The disability benefit of any disabled member of a local police or salaried firefighters relief association, whichever is applicable, shall terminate when the disabled member attains:*

*(a) the minimum age for the receipt of a service pension specified in the articles of incorporation or the bylaws of the relief association, if the disabled member has credit for at least the number of years of service for active duty which would entitle the disabled member to a service pension in an amount equal to the amount of the disability benefit; or*

*(b) the age attained by the disabled member when the total number of years of service credited for active duty and of years of receipt of a disability benefit equals the number of years of service credit which would entitle the disabled member to a service pension in an amount equal to the amount of the disability benefit, if the disabled member has credit for less than the number of years of service for active duty which would entitle the disabled member to a service pension in an amount equal to the amount of the disability benefit when the disabled member attains the minimum age for the receipt of a service pension*

*specified in the articles of incorporation or the bylaws of the relief association.*

*Subd. 2. [AMOUNT OF DISABILITY BENEFIT RECOMPUTED AS A SERVICE PENSION.] After the disability benefit terminates, the disabled member shall be deemed to be a service pensioner and shall be entitled to receive a service pension in an amount equal to the disability benefit without any benefit offset required pursuant to any applicable provision of law, articles of incorporation or bylaws which was payable by the relief association immediately prior to the date when the disability benefit terminated pursuant to this section or the service pension otherwise payable based on the service credit for active duty of the person, whichever amount is greater. The disability benefit recomputed as a service pension shall be subject to any annual automatic post retirement adjustments or escalation applicable to any other service pension payable by the relief association.*

*Subd. 3. [LIMITATION ON DISABILITY BENEFIT COVERAGE.] No relief association member who has attained the age and acquired the service credit for termination of a disability benefit specified in subdivision 1 shall be eligible for a disability benefit after that date. If a relief association member who is ineligible for a disability benefit solely pursuant to the limitation set forth in this subdivision becomes permanently unable to perform the duties of a police officer or a firefighter, whichever is applicable, by virtue of a medically determinable illness or injury, the member shall be eligible to a service pension in an amount equal to the amount of the disability benefit which would have been paid had the person been entitled to a disability benefit, or the amount of the service pension otherwise payable based on the service credit for active duty of the person, whichever is greater.*

**Sec. 3. [423A.12] [SERVICE CREDIT FOR PERIODS OF DISABILITY.]**

*If the articles of incorporation or bylaws of a local police or salaried firefighters relief association, whichever is applicable, so provide, any relief association member who received a disability benefit from the relief association on account of a medically determinable illness or injury which was at the time of the determination of the disability expected to be of permanent duration and who returned to active employment as a police officer or firefighter, whichever is applicable, shall be entitled to receive service credit toward the calculation of a service pension for the period or periods of the receipt of a disability benefit.*

*The maximum service credit which a relief association member may obtain pursuant to this subdivision shall be that amount of service credit which, when added to the service credit of the member for active duty, equals the amount of service credit which would entitle the member to a service pension in an amount equal to the amount of the disability benefit provided by the relief association.*

**Sec. 4. [423A.13] [LESS HAZARDOUS DUTY EMPLOYMENT FOR MARGINALLY DISABLED POLICE OFFICERS OR FIREFIGHTERS.]**

*Every city in which a local police or salaried firefighters relief association is located shall make every reasonable attempt to provide less hazardous duty employment positions for marginally or less severely disabled police officers or firefighters, which is applicable, in the police department or in the fire department, whichever is applicable, with the same compensation, fringe benefits and other terms and conditions of employment as the person would have*

*otherwise received currently as a regularly employed police officer or firefighter, which is applicable, of the same rank and experience.*

Sec. 5. [423A.14] [OFFSETS FROM DISABILITY BENEFITS.]

*Subdivision 1. [OCCURRENCE OF OFFSETS.] If a police officer or firefighter, whichever is applicable, who is a member of a local police or salaried firefighters relief association becomes disabled and is entitled to receive a disability benefit from the relief association and the disabled person is also entitled to receive benefits pursuant to the workers' compensation law by virtue of that disability, and the total of the disability benefit and the workers' compensation benefits exceeds the salary which the disabled person received as of the date of the disability or the salary currently payable to the same employment position or an employment position which is substantially similar to the employment position which the person held as of the date of the disability, whichever is greater, then the disability benefit of that person which is otherwise payable shall be reduced to that amount which, when added to the workers' compensation benefits, after deducting any amounts payable as attorney fees or medical benefits, does not exceed the salary which the person received as of the date of the disability or the salary currently payable to the same employment position or an employment position which is substantially similar to the employment position which the person held as of the date of the disability, whichever is greater.*

*Subd. 2. [LIMITATION.] In no event shall the reduced disability benefit payable pursuant to the requirements of subdivision 1 exceed the amount of the disability benefit otherwise payable by the relief association without reference to subdivision 1 pursuant to the applicable statutes, special laws, articles of incorporation and bylaws.*

*Subd. 3. [NO OFFSET FOR RECOMPUTED DISABILITY BENEFIT.] No offset pursuant to this section shall be required after a disability benefit is recomputed as a service pension pursuant to section 2.*

*Subd. 4. [REPORTING REQUIREMENT.] Monthly, each city in which a local police or salaried firefighters relief association is located shall notify the secretary of the relief association of the amounts payable to disabled police officers or firefighters, whichever is applicable, during the month pursuant to the workers' compensation law.*

*Subd. 5. [OFFSET INAPPLICABLE IN CERTAIN INSTANCES.] If any reduction of benefits payable pursuant to the workers' compensation law by virtue of the receipt of a disability benefit from a local police or salaried firefighters relief association is required pursuant to legislation enacted by the 1982 regular session or by a subsequent regular or special session, the provisions of this section shall not be applicable to any disability benefit recipient or any local police or salaried firefighters relief association.*

Sec. 6. [EFFECT OF PROVISIONS FOR EXISTING DISABILITY BENEFIT RECIPIENTS.]

*The provisions of section 1 shall apply to any member of any applicable local relief association in active service on or after the effective date of this section. The provisions of section 2 shall apply to any person receiving a disability benefit from a local relief association on or after the effective date of this section. The provisions of section 3 shall apply to any person who returns*

*to active employment as a police officer or firefighter, whichever is applicable, after receipt of a permanent disability benefit on or after the effective date of this section. The provisions of section 5 shall apply to any person who first commences receipt of a disability benefit after the effective date of this section.*

**Sec. 7. [WEST ST. PAUL FIREFIGHTERS RELIEF ASSOCIATION; ESTABLISHMENT.]**

*The fire department of the city of West St. Paul shall establish and maintain a firefighters relief association, to be known as "West St. Paul Firefighters Relief Association".*

**Sec. 8. [INCORPORATION; ORGANIZATION; POWERS.]**

*The West St. Paul Firefighters Relief Association shall be incorporated pursuant to Minnesota Statutes, Chapter 317, except that the relief association shall not be required to amend its articles of incorporation or bylaws to conform with Minnesota Statutes, Section 317.08, Subdivision 2, Clause (3), and that the relief association shall be deemed to be a nonprofit corporation without coming within the application of Minnesota Statutes, Section 317.02, Subdivision 5. Except as provided in Minnesota Statutes, Section 423A.01, Subdivision 2, the relief association shall have perpetual existence. The relief association shall be organized, operated and maintained in accordance with its articles of incorporation and bylaws by firefighters who are members of the fire department of the city of West St. Paul and who are members of the relief association. The relief association shall have the power to regulate its own management and affairs and to amend its articles of incorporation and bylaws, except that any amendment to its articles of incorporation or bylaws which increases or otherwise affects the retirement coverage provided by or the service pensions or retirement benefits payable from the special fund of the relief association shall not be effective until ratified by the city council of the city of West St. Paul. The relief association shall have all additional corporate powers which may be necessary or useful, subject to the provisions of this act, other laws pertaining to corporations not inconsistent with this act and other laws applicable to firefighters relief associations.*

**Sec. 9. [MANAGEMENT.]**

*The general management of the relief association shall be vested in a board of trustees composed of five members of the relief association, elected by the membership of the relief association, during the annual meeting of the relief association. The term of office for board of trustee members shall be for one year, commencing with the election, and until the successor in office is elected and duly qualified.*

**Sec. 10. [OFFICERS OF THE RELIEF ASSOCIATION.]**

*The officers of the relief association shall be a president, a vice president, a secretary and a treasurer.*

**Sec. 11. [FUNDS OF THE RELIEF ASSOCIATION.]**

*The assets of the relief association shall be kept in two separate and distinct funds, one to be designated as the special fund of the relief association and the other to be designated as the general fund of the relief association. All moneys received by the relief association from the state of Minnesota and from the city of West St. Paul and all moneys representing employee contributions received*

*by the relief association shall be deposited in and credited to the special fund of the relief association and shall be expended only for the purposes authorized pursuant to section 14. All moneys received by the relief association from any other source shall be deposited in and credited to the general fund of the relief association and shall be expended only for purposes authorized pursuant to the bylaws of the relief association.*

Sec. 12. [MANAGEMENT OF ASSETS.]

*The relief association shall have the full responsibility for the proper management and control of any assets which are received by the relief association.*

Sec. 13. [SOURCES OF REVENUE.]

*The relief association may receive any amounts of money from the following sources:*

*(1) amounts from the state of Minnesota pursuant to Minnesota Statutes, Sections 69.011 to 69.051 and 423A.02;*

*(2) amounts received from the city of West St. Paul pursuant to Minnesota Statutes, Section 69.77;*

*(3) amounts received as investment income on the invested assets of the special or general fund of the relief association;*

*(4) amounts of employee contributions deducted by the city of West St. Paul from the salaries of relief association members; and*

*(5) amounts received from private sources, including gifts, charges, rents and entertainments.*

Sec. 14. [AUTHORIZED DISBURSEMENTS FROM SPECIAL FUND.]

*Disbursements from the special fund of the relief association may be made for any of the following:*

*(1) For the payment of service pensions to retired members of the relief association if authorized and paid pursuant to law and the bylaws governing the relief association;*

*(2) For the payment of temporary or permanent disability retirement benefits to disabled members of the relief association if authorized and paid pursuant to law and specified in amount in the bylaws governing the relief associations;*

*(3) For the payment of survivor retirement benefits to surviving spouses and surviving children of deceased members of the relief association if authorized by and paid pursuant to law and specified in amount in the bylaws governing the relief association;*

*(4) For the payment of any funeral benefits to the surviving spouse, or if no surviving spouse, the estate, of the deceased member of the relief association if authorized by law and specified in amount in the bylaws governing the relief association;*

*(5) For the payment of the fees, dues and assessments to the Minnesota state fire department association in order to entitle relief association members to membership in and the benefits of the association; and*

*(6) For the payment of administrative expenses of the relief association as*

authorized pursuant to Minnesota Statutes, Section 69.80.

Sec. 15. [INVESTMENT OF ASSETS.]

*The assets of the special fund of the relief association shall be invested only in securities authorized by Minnesota Statutes, Section 69.77, Subdivision 2, Clause (7). The assets of the general fund of the relief association may be invested in any securities authorized by the bylaws of the relief association.*

Sec. 16. [BOARD OF EXAMINERS.]

*The relief association shall establish a board of examiners who shall, when requested to do so by the board of trustees of the relief association, make a thorough investigation and report on the following:*

*(1) on all applications for disability benefits and the appropriate benefit amount to be paid to each applicant;*

*(2) on all disability benefit recipients;*

*(3) on all applications for service pensions; and*

*(4) on all claims for relief. The board of examiners shall be composed of three members, one of whom shall be the president of the relief association. A competent physician, selected by the relief association, shall serve with the board of examiners as the physician of the relief association.*

Sec. 17. [NON-GARNISHMENT; EXEMPTION FROM PROCESS.]

*No service pension or retirement benefits paid or payable from the special fund the relief association to any person receiving or entitled to receive a service pension or other retirement benefits shall be subject to garnishment, judgement, execution or other legal process and no person entitled to a service pension or other retirement benefits from the special fund of the relief association shall have the right to assign any service pension or retirement benefit payments, nor shall the relief association have the authority to recognize any assignment or pay over any sum which has been assigned.*

Sec. 18. [NO AFFECT ON WORKERS' COMPENSATION ACT.]

*Sections 7 to 19 shall not be construed as abridging, repealing or amending Minnesota Statutes, Chapter 176.*

Sec. 19. [VALIDATION OF PRIOR ACTIONS.]

*Notwithstanding any provision of law to the contrary, any action of the West St. Paul firefighters relief association taken subsequent to September 25, 1947, and prior to the effective date of this section, which was in conformance with the applicable provisions of sections 7 to 19 and the applicable provisions of the duly adopted articles of incorporation and bylaws of the relief association are hereby validated."*

Page 3, line 15, delete "This act is" and insert "Sections 1 to 6 are" and after the period, insert "Sections 7 to 19 are effective upon approval by the city council of the city of West St. Paul and upon compliance with Minnesota Statutes, Section 645.021."

Renumber the sections in sequence

Amend the title as follows:



Page 1, line 4, delete "certain"

Page 1, line 5, after "firefighters" insert "in certain local relief associations; providing for the recomputation of a disability benefit as a service pension upon the attainment of a certain age; providing service credit for periods of disability in certain instances; requiring the provision of less hazardous duty employment positions for marginally disabled police officers and firefighters; requiring offsets from disability benefits in certain instances; authorizing the establishment and operation of the West St. Paul firefighters relief association; validating prior actions by the West St. Paul firefighters relief association"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was re-referred

H.F. No. 1668: A bill for an act relating to manufactured homes; requiring manufacturers and dealers of manufactured homes to be licensed and regulated by the commissioner of administration; providing for the rights and duties of owners and residents of manufactured home parks; making certain changes in the procedure for titling manufactured homes; requiring park owners to adopt storm safety plans for the protection of residents; empowering municipalities to enforce certain ordinances within manufactured home parks and recreational camping areas; clarifying the procedures to be used in the repossession of a manufactured home; clarifying certain language; prohibiting certain practices; imposing fees and penalties; providing remedies; defining terms; proposing new law coded in Minnesota Statutes, Chapter 168A; proposing new law coded as Minnesota Statutes, Chapters 327B and 327C; amending Minnesota Statutes 1980, Sections 168A.02, Subdivision 3; 327.14; 327.16, Subdivision 2; 327.20, Subdivision 1; 327.24, by adding a subdivision; 327.26; 327.27, Subdivision 2, and by adding a subdivision; 327.62, Subdivision 2; 327.63; 327.65; 327.66; 363.02, by adding a subdivision; and 566.18, Subdivisions 2, 7, and 8; repealing Minnesota Statutes 1980, Sections 327.41; 327.42; 327.43; 327.45; 327.451; 327.452; 327.46; 327.47; 327.51; 327.52; 327.53; 327.54; 327.55; 327.551; 327.552; 327.553, Subdivisions 2, 3 and 4; 327.554; 327.56; and Minnesota Statutes 1981 Supplement, Sections 327.44; 327.441; 327.55, Subdivision 1a; and 327.553, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

## “ARTICLE I

### MANUFACTURED HOME SALES

#### Section 1. [327B.01] [DEFINITIONS.]

*Subdivision 1. [TERMS.] As used in sections 1 to 13 the terms defined in this section have the meanings given them.*

*Subd. 2. [AFFILIATE.] “Affiliate” of another person means any person directly or indirectly controlling, controlled by, or under common control with the other person.*

*Subd. 3. [COMMISSIONER.] “Commissioner” means the commissioner*

of administration.

*Subd. 4. [BROKER.] "Broker" means any person who:*

*(a) For another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly lists, sells, exchanges, buys or rents, manages, or offers or attempts to negotiate a sale, option, exchange, purchase or rental of an interest in a manufactured home or advertises or holds himself or itself out as engaged in such activities;*

*(b) For another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly negotiates or offers or attempts to negotiate a loan, secured or to be secured by a security interest in or other encumbrance on a manufactured home; or*

*(c) Engages in the business of charging an advance fee or contracting for collection of a fee in connection with any contract whereby he undertakes to promote the sale of a manufactured home through its listing in a publication issued primarily for the purpose of promoting the sale of manufactured homes or real estate.*

*Subd. 5. [CONSUMER CUSTOMER.] "Consumer customer" means any natural person who, primarily for personal, household or family purposes, buys, sells, or seeks to buy or sell, a manufactured home from, to or through a dealer or manufacturer.*

*Subd. 6. [CONTROLLING SHAREHOLDER.] "Controlling shareholder" means a shareholder whose legal, equitable and beneficial holdings in a dealership, and those of his family, amount to more than ten percent of the outstanding shares.*

*Subd. 7. [DEALER.] "Dealer" means any person who engages in the business, either exclusively or in addition to any other occupation, of selling or brokering manufactured homes, new or used, or who offers to sell, solicit, broker or advertise the sale of manufactured homes, new or used.*

*Subd. 8. [EXPRESS WARRANTY.] "Express warranty" means a warranty as defined by section 336.2-313.*

*Subd. 9. [IMPLIED WARRANTY OF FITNESS FOR PARTICULAR PURPOSE.] "Implied warranty of fitness for particular purpose" means a warranty as defined by section 336.2-315.*

*Subd. 10. [IMPLIED WARRANTY OF MERCHANTABILITY.] "Implied warranty of merchantability" means a warranty as defined by section 336.2-314.*

*Subd. 11. [IN PARK SALE.] "In park sale" has the meaning specified in article II, section 1, subdivision 3.*

*Subd. 12. [MANUFACTURER.] "Manufacturer" means any person who manufactures, assembles or produces manufactured homes.*

*Subd. 13. [MANUFACTURED HOME.] "Manufactured home" means a structure, not affixed to or part of real estate, transportable in one or more sections, which in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or, when erected on site, is 320 or more square*

feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein.

*Subd. 14. [MANUFACTURED HOME PARK.] "Manufactured home park" has the meaning specified in article II, section 1, subdivision 6.*

*Subd. 15. [NET LISTING AGREEMENT.] "Net listing agreement" means any agreement by any dealer to sell, offer for sale, solicit, broker or advertise the sale of a manufactured home on behalf of any person which provides for the dealer to receive any consideration from any person other than a commission based on a single percentage of the price at which the home is actually sold.*

*Subd. 16. [NEW MANUFACTURED HOME.] "New manufactured home" means a manufactured home which is purchased for the first time other than for purposes of resale.*

*Subd. 17. [PERSON.] "Person" means any individual, corporation, firm, partnership, incorporated and unincorporated association, or any other legal or commercial entity.*

*Subd. 18. [SALE.] "Sale" means:*

- (a) The passing of title from one person to another for consideration; or*
- (b) Any agreement to sell under which possession is delivered to the buyer but title is retained in the seller; or*
- (c) Any agreement in the form of a bailment or lease of goods if the bailee or lessee agrees to pay as compensation for use a sum substantially equivalent to or in excess of the aggregate value of the goods involved and it is agreed that the bailee or lessee will become, or for no other than a nominal consideration has the option to become, the owner of the goods upon full compliance with his obligations under the agreement; or*
- (d) Any legally binding executory agreement to make a sale.*

*Subd. 19. [SALESPERSON.] "Salesperson" means a person who acts on behalf of a dealer in performing any act which sections 1 to 13 authorize or require to be performed by a dealer.*

*Subd. 20. [TRUST ACCOUNT.] "Trust account" means a demand deposit, share draft or checking account maintained for the purpose of segregating trust funds from other funds.*

*Subd. 21. [TRUST FUNDS.] "Trust funds" means funds received by a broker in a fiduciary capacity as a part of a manufactured home sale transaction, pending the consummation or termination of a transaction, and includes all down payments, earnest money deposits, rents for clients, tax and insurance escrow payments, damage deposits, and any funds received on behalf of any person.*

## **Sec. 2. [327B.02] [WARRANTIES.]**

*Subdivision 1. [IMPLIED WARRANTIES.] Every sale of a new manufactured home in this state is made with an implied warranty that the manufactured home conforms in all material aspects to applicable federal or state laws and regulations establishing standards of safety or quality, and with implied*

warranties of merchantability and fitness for particular purpose as permanent housing in the climate of this state.

*Subd. 2. [EXPRESS WARRANTIES PERMITTED.] This section does not prohibit a manufacturer or dealer from making express warranties with respect to a manufactured home, but a manufacturer or dealer may not limit, modify or disclaim the warranties implied by subdivision 1.*

**Sec. 3. [327B.03] [LIMITATION, EXCLUSION OR MODIFICATION OF WARRANTY.]**

*Any attempt to exclude, limit or modify any rights or remedies created by the warranties implied by section 2 is void.*

**Sec. 4. [327B.04] [WARRANTIES; DURATION, HONORING.]**

*Subdivision 1. [DURATION.] The warranties implied by section 2 shall run for a period of one year from the date of delivery of the manufactured home to the consumer customer.*

*Subd. 2. [NOTICE AND COOPERATION BY BUYER.] To invoke either a warranty implied by section 2 or an express warranty made by the manufacturer the buyer must notify the dealer and the manufacturer within a reasonable time after discovering the breach and not later than 90 days after the expiration of the warranty. To invoke an express warranty made by the dealer, the buyer must notify the dealer within a reasonable time after discovering the breach and not later than 90 days after the expiration of the warranty. After giving the notice the buyer must allow reasonable opportunity for the service or repair.*

*Subd. 3. [RESPONSIBILITY TO HONOR.] It shall be the duty of the manufacturer and dealer, jointly and severally, to service or repair a manufactured home at its site within a reasonable time after receiving written notice of breach of either a warranty implied by section 2 or an express warranty made by the manufacturer. The dealer shall service or repair a manufactured home at its site within a reasonable time after receiving written notice of breach of an express warranty made by the dealer.*

**Sec. 5. [327B.05] [MANUFACTURERS AND DEALERS; LICENSES; BONDS.]**

*Subdivision 1. [LICENSE AND BOND REQUIRED.] No person shall act as a dealer in manufactured homes, new or used, without first having acquired a license and a surety bond as provided in this section. No person shall manufacture manufactured homes without first having acquired a license and a surety bond as provided in this section. The licensing and bonding requirements of this section do not apply to any bank, savings bank, savings and loan association or credit union, chartered by either this state or the federal government, which acts as a dealer only by repossessing manufactured homes and then offering the homes for resale through the brokering services of a licensed dealer or real estate broker or salesperson.*

*Subd. 2. [SUBAGENCY LICENSES.] Any dealer who has a place of business at more than one location shall designate one location as its principal place of business, one name as its principal name, and all other established places of business as subagencies. A subagency license shall be required for each subagency. No dealer shall do business as a dealer under any other name than the name on its license.*

*Subd. 3. [LICENSE APPLICATION.] Application for a license and its renewal shall be made to the commissioner, shall be in writing, and duly verified by oath. The applicant shall submit any information required by the commissioner, upon forms provided by the commissioner for that purpose, including:*

*(a) proof of identity;*

*(b) the name under which the applicant will be licensed and do business in this state;*

*(c) the applicant's type and place of business;*

*(d) The name, home and business address of the applicant's directors, officers, limited and general partners, controlling shareholders and affiliates;*

*(e) whether the applicant, or any of its directors, officers, limited or general partners, controlling shareholders or affiliates, has been convicted of a crime within the previous ten years that either related directly to the business for which the license is sought or involved fraud, misrepresentation or misuse of funds, or has suffered a judgment in a civil action involving fraud, misrepresentation, or conversion within the previous five years or has had any government license or permit suspended or revoked as a result of an action brought by a federal or state governmental agency in this or any other state within the last five years; and*

*(f) the applicant's qualifications and business history, including whether the applicant, or any of its directors, officers, limited or general partners, controlling shareholders or affiliates has ever been adjudged bankrupt or insolvent, or has any unsatisfied court judgments outstanding against it or them.*

*Subd. 4. [LICENSE PREREQUISITES.] No application shall be granted nor license issued until and unless the applicant proves to the commissioner that:*

*(a) the applicant has a permanent, established place of business at each licensed location. An "established place of business" means a permanent enclosed building other than a residence, or a commercial office space, either owned by the applicant or leased by the applicant for a term of at least one year, located in an area where zoning regulations allow commercial activity, and where the books, records and files necessary to conduct the business are kept and maintained. The owner of a licensed manufactured home park who resides in or adjacent to the park may use his residence as the established place of business required by this subdivision, unless prohibited by local zoning ordinance.*

*If a license is granted, the licensee may use unimproved lots and premises for sale, storage, and display of manufactured homes, if the licensee first notifies the commissioner in writing;*

*(b) if the applicant desires to sell, solicit or advertise the sale of new manufactured homes, it has a bona fide contract or franchise in effect with a manufacturer or distributor of the new manufactured home it proposes to deal in;*

*(c) the applicant has secured a surety bond in the amount of \$20,000 for the protection of consumer customers, executed by the applicant as principal and*

issued by a surety company admitted to do business in this state. The bond shall be exclusively for the purpose of reimbursing consumer customers and shall be conditioned upon the faithful compliance by the applicant with all of the laws and rules of this state pertaining to the applicant's business as a dealer or manufacturer, including sections 325D.44, 325F.67 and 325F.69, and upon the applicant's faithful performance of all its legal obligations to consumer customers; and

(d) the applicant has established a trust account as required by section 9, subdivision 3, unless the applicant states in writing its intention to limit its business to selling, offering for sale, soliciting or advertising the sale of new manufactured homes.

**Subd. 5. [EXEMPTION FOR REAL ESTATE BROKERS AND SALES-PERSONS.]** Any person licensed as a real estate broker or salesperson under chapter 82 who brokers the sale of used manufactured homes is not required to obtain a license or a bond as required by this section, but is subject to all other provisions of sections 1 to 13. Any real estate broker or salesperson who violates a provision of sections 7 to 10 in selling or offering for sale a used manufactured home shall be deemed to have violated a provision of chapter 82.

**Subd. 6. [CERTIFICATE OF LICENSE.]** For each license granted the commissioner shall issue a certificate which includes the name of the licensee, the name of the surety company and the amount of the surety bond, the names and addresses of any related principal or subagencies, and a license number.

**Subd. 7. [FEES; LICENSES; WHEN GRANTED.]** Each application for a license or license renewal must be accompanied by a fee in an amount established by the commissioner by rule pursuant to section 11, which shall be paid into the state treasury and credited to the general fund. The fees shall be set in an amount which over the fiscal biennium will produce revenues approximately equal to the expenses which the commissioner expects to incur during that fiscal biennium while administering and enforcing sections 1 to 13. The commissioner shall grant or deny a license application or a renewal application within 60 days of its filing. If the license is granted, the commissioner shall license the applicant as a dealer or manufacturer for the remainder of the calendar year. Upon application by the licensee, the commissioner shall renew the license for a two year period, if:

(a) the renewal application satisfies the requirements of subdivisions 3 and 4;

(b) the renewal applicant has made all listings, registrations, notices and reports required by the commissioner during the preceding year; and

(c) the renewal applicant has paid all fees owed pursuant to sections 1 to 13 and all taxes, arrearages, and penalties owed to the state.

**Sec. 6. [327B.06] [DENIAL, SUSPENSION AND REVOCATION OF LICENSES.]**

**Subdivision 1. [GROUNDS.]** The commissioner may by order deny, suspend or revoke any license if he finds (1) that the order is in the public interest and (2) that the applicant or licensee or any of its directors, officers, limited or general partners, controlling shareholders or affiliates:

(a) has filed an application for a license or a license renewal which fails to

disclose any material information or contains any statement which is false or misleading with respect to any material fact;

(b) has violated any of the provisions of sections 1 to 13 or any rule or order issued by the commissioner or any prior law providing for the licensing of manufactured home dealers or manufacturers;

(c) has had a previous manufacturer or dealer license revoked in this or any other state;

(d) has engaged in acts or omissions which have been adjudicated or amount to a violation of any of the provisions of section 325D.44, 325F.67 or 325F.69;

(e) has sold or brokered the sale of a home containing a material violation of sections 327.31 to 327.35 about which the dealer knew or which should have been obvious to a reasonably prudent dealer;

(f) has failed to make or provide to the commissioner all listings, notices and reports required by him;

(g) has failed to pay a civil penalty assessed under subdivision 6 of this section within ten days after the assessment becomes final;

(h) has failed to pay to the commissioner or other responsible government agency all taxes, fees and arrearages due;

(i) has failed to duly apply for license renewal;

(j) has violated any applicable manufactured home building or safety code;

(k) has failed or refused to honor any express or implied warranty as provided in section 4;

(l) has failed to continuously occupy a permanent, established place of business licensed under section 5;

(m) has, without first notifying the commissioner, sold a new and unused manufactured home other than the make of manufactured home described in a franchise or contract filed with the application for license or license renewal;

(n) has wrongfully failed to deliver a certificate of title to a person entitled to it;

(o) is insolvent or bankrupt;

(p) holds an impaired or canceled bond;

(q) has failed to notify the commissioner of bankruptcy proceedings within ten days after a petition in bankruptcy has been filed by or against the dealer or manufacturer;

(r) has, within the previous ten years, been convicted of a crime that either related directly to the business of the dealer or manufacturer or involved fraud, misrepresentation or misuse of funds;

(s) has suffered a judgment within the previous five years in a civil action involving fraud, misrepresentation or misuse of funds; or

(t) has failed to reasonably supervise any employee or agent of the dealer or manufacturer, resulting in injury or harm to the public.

*The commissioner may establish rules pursuant to section 11 further specifying, defining or establishing standards of conduct for manufactured home dealers and manufacturers.*

*Subd. 2. [DENIAL; RECONSIDERATION.] If the commissioner denies an application for a license, he shall inform the applicant and summarize in writing the reasons for the denial. Within 15 days of receiving the commissioner's notice, the applicant may request in writing that the commissioner reconsider. The request for reconsideration shall explain why the commissioner's previous decision was wrong and shall specifically address each reason given by the commissioner for the denial. Within 20 days of receiving the request for reconsideration, the commissioner shall decide whether to withdraw the denial and grant a license. If the commissioner reaffirms the denial, the applicant may appeal in the manner provided in subdivision 7. An applicant whose application is denied may also cure the defects in the application cited by the commissioner and resubmit the application at no extra charge.*

*Subd. 3. [LICENSE SUSPENSION OR REVOCATION; HEARING.] The commissioner, upon his own motion or upon the complaint of another, may prepare and cause to be served upon a licensee a written notice or complaint summarizing the violations charged, and requiring the licensee to appear before the commissioner or authorized deputy to show cause why the license should not be revoked.*

*The commissioner shall, at a time and place fixed in the notice, hear and determine the matter on its merits. All hearings shall be conducted in accordance with the provisions of chapter 15. If the commissioner finds the existence of any of the causes for suspension or revocation set forth in subdivision 1 and determines that the license should be revoked or suspended, he shall make a written order of revocation or suspension. A copy of the order shall be served upon the licensee in the manner provided by law for the service of summons in a civil action.*

*If the commissioner revokes or suspends the license of any person holding more than one license under the provisions of section 5, subdivision 2, he shall revoke or suspend all of the licenses of that person and of the affiliates of that person.*

*Subd. 4. [SUMMARY LICENSE SUSPENSION.] The commissioner may by order summarily suspend a license pending final determination of any order to show cause if he deems the action to be necessary in order to prevent immediate and substantial public harm. If a license is suspended pending final determination of an order to show cause, a hearing on the merits shall be held within 30 days of the issuance of the order of suspension.*

*Subd. 5. [HEARING EXAMINER.] The commissioner may delegate authority to conduct a hearing to a hearing examiner.*

*Subd. 6. [PENALTIES.] After having conducted the hearing provided for in subdivision 3, the commissioner may, in addition to or in lieu of revoking or suspending a license, order restitution to an injured consumer customer or assess a penalty or penalties against any person who commits any act that is grounds for the suspension or revocation of a license under subdivision 1; provided, that the penalty or penalties imposed shall not, in the aggregate, exceed ten thousand dollars.*



*Subd. 7. [APPEALS.] The contested case provisions of chapter 15 shall apply to appeals from any order by the commissioner denying, suspending or revoking a license, or assessing penalties.*

**Sec. 7. [327B.07] [DEALER'S RECORDS.]**

*Subdivision 1. [RETENTION.] A dealer shall retain for three years copies of all listings, deposit receipts, credit applications, contracts, disclosure forms, cancelled checks, trust account records and such other documents as may reasonably be related to carrying on the business of a dealer. The retention period shall run from the date of the closing of the transaction or from the date of the listing if the transaction is not consummated.*

*Subd. 2. [EXAMINATION OF RECORDS.] The commissioner may make examinations within or without this state of each dealer's records at such reasonable time and in such scope as is necessary to enforce the provisions of sections 1 to 13.*

**Sec. 8. [327B.08] [RESPONSIBILITY OF DEALERS.]**

*Subdivision 1. [LIABILITY.] Each dealer is responsible for the activities of any person employed by or acting on behalf of that dealer when the activities occur in connection with the sale or attempted sale of a manufactured home. Each officer of a corporation licensed as a dealer is responsible for the activities of any person employed by or acting on behalf of the corporation when such activities occur in connection with the sale or attempted sale of a manufactured home.*

*Subd. 2. [SALESPEOPLE.] Every dealer shall report in writing to the commissioner the full name, date of birth, business and home address of every salesperson employed by the dealer. Within ten days of hiring, firing or otherwise changing the employment status of a salesperson, the dealer shall notify the commissioner in writing. No salesperson shall work for more than one dealer during the same time period.*

**Sec. 9. [327B.09] [DUTIES.]**

*Subdivision 1. [DISCLOSURE REQUIRED.] Prior to the consummation of the sale of any manufactured home where a dealer acts as a broker, the dealer shall disclose in writing to all parties to the transaction all charges, payments, commissions and other fees paid or payable in connection with the transaction. Any commission charged by the dealer shall be expressed both as a dollar amount and as a percentage of the sales price. If the home being sold is located in a manufactured home park, prior to the buyer's signing of the purchase agreement the dealer shall disclose in writing to the buyer the state law concerning the in park sale of manufactured homes. This subdivision does not require any dealer to disclose any consideration received for having acted as an insurance agent, as defined in section 60A.02, subdivision 7, in connection with the transaction, nor shall this subdivision require any dealer to disclose any consideration received in return for the dealer having agreed to any contingent liability in connection with the financing of the sale. The commissioner may prescribe a form to be used to comply with this subdivision and may require all dealers to use that form.*

*Subd. 2. [PRESENCE OF PARTIES AT CLOSING.] A dealer shall not prohibit, prevent or restrain any party to the brokered sale of a manufactured*

home from being present at the closing. If a dealer at a closing purports to have authority to act for one of the parties who is not present, the dealer shall exhibit the document granting that authority and shall give a copy of that document to the other parties.

*Subd. 3. [TRUST ACCOUNT REQUIRED.] Each dealer who acts as a broker shall maintain a trust account. A trust account shall not be an interest bearing account except by agreement of the parties and subject to rules of the commissioner.*

*Subd. 4. [SEGREGATION OF FUNDS.] A dealer shall deposit all trust funds received in a trust account. A dealer shall deposit only trust funds in a trust account and shall not commingle personal funds or other funds in that account, except that a dealer may deposit and maintain a sum from his personal funds not to exceed \$100 in a trust account, which sum shall be specifically identified and used to pay service charges relating to the trust account.*

*Subd. 5. [TRUST INFORMATION REQUIRED.] At the time of application for a license or renewal of license, each dealer who acts or intends to act as a broker shall tell the the commissioner the name of the financial institutions and the trust account identification numbers used to comply with the provisions of this section. A dealer shall immediately report to the commissioner any change of trust account status including changes in financial institutions, account identification numbers, or additional accounts in the same or another financial institution. No dealer may close an existing trust account without giving ten days written notice to the commissioner.*

**Sec. 10. [327B.10] [PROHIBITIONS.]**

*Subdivision 1. [LICENSE REQUIRED.] No person shall engage in the business, either exclusively or in addition to any other occupation of manufacturing, selling, offering to sell, soliciting or advertising the sale of manufactured homes, or act as a broker without being licensed as a manufacturer or a dealer as provided in section 5. Any person who manufactures, sells, offers to sell, solicits or advertises the sale of manufactured homes, or acts as a broker in violation of this subdivision shall nevertheless be subject to the duties, prohibitions and penalties imposed by sections 1 to 13. This subdivision does not prohibit an individual from reselling, without a license, a manufactured home which is or has been his or her residence.*

*Subd. 2. [ADVERTISING.] No person shall advertise as a manufactured home dealer, or as a lister, broker or agent for the sale of manufactured homes, without being licensed as a dealer as provided in section 5.*

*Subd. 3. [DISPLAY OF LICENSE.] No person shall act as a dealer or manufacturer unless the certificate authorizing that activity is prominently displayed on the business premises covered by the license. Before moving to a new location from the established place of business occupied when the license is granted, the licensee must first secure the commissioner's written permission. To obtain that permission, the licensee must prove that the proposed new premises conform to the requirements of section 5, subdivision 4.*

*Subd. 4. [NET LISTING PROHIBITED.] Except as otherwise provided in this subdivision, no dealer shall use or offer to use a net listing agreement.*

*A dealer who is acting as a broker for the sale of a manufactured home and*

who can arrange financing for the sale may charge a separate fee for that service, if:

(a) the listing agreement does not require that the seller or buyer use the dealer's services to arrange financing;

(b) in arranging the financing, the dealer will pay a fee or will guarantee all or part of the buyer's performance to a third person; and

(c) the listing agreement clearly and conspicuously discloses the amount of the fee, the fact that the fee is in addition to the dealer's commission and the fact that the seller and buyer are not required to use the dealer's services to arrange financing.

Sec. 11. [327B.11] [RULEMAKING AUTHORITY.]

The commissioner may promulgate rules and issue orders reasonably necessary to implement and administer the provisions of sections 1 to 13.

Sec. 12. [327B.12] [RECOURSE TO THE BOND.]

Subdivision 1. [CONSUMER CLAIMANTS.] Any consumer customer sustaining injuries within the terms of a surety bond issued pursuant to section 5 may proceed against the principal and surety without making the state a party to the proceedings. Provided, however, that the aggregate liability of the surety to all persons for all losses or damages shall in no event exceed the amount of the bond.

Subd. 2. [PAYMENT OF CLAIMS; NOTICE TO COMMISSIONER.] Before paying any claim against a surety bond, the surety company must first notify the commissioner in writing of the amount of the claim, the basis of the claim and the surety company's intention to pay the claim. Unless the commissioner objects in writing within ten days of receiving the notice, the surety company may proceed upon its intention. The commissioner's failure to object is not evidence of the validity of the claim or of the propriety of paying the claim. The commissioner shall object only if he has reasonable grounds to believe that paying the claim will reduce the obligation of the bond to an amount less than the total amount of other outstanding and valid claims against the bond.

Subd. 3. [APPLICATION FOR A REFEREE.] Within 15 days of objecting to the payment of a claim, the commissioner shall apply to the district court for an order:

(a) directing the surety company to pay the full obligation of the bond into court; and

(b) appointing a referee to hear claims against the bond and to propose to the court the proper distribution of the bond proceeds.

The surety company and the principals on the bond shall be parties to the proceedings.

Sec. 13. [327B.13] [ADDITIONAL REMEDIES AND ENFORCEMENT.]

Subdivision 1. [PRIVATE REMEDIES.] Any person injured or threatened with injury by a dealer or manufacturer's violation of sections 1 to 13 may bring a private action in any court of competent jurisdiction.

Subd. 2. [FRAUD REMEDIES.] In addition to the remedies provided in

sections 1 to 13, any violation of section 9 or 10 is a violation of section 325F.69, subdivision 1 and the provisions of section 8.31 shall apply.

Sec. 14. [TEMPORARY SURCHARGE.]

*For purposes of defraying costs of administering the provisions of sections 1 to 13, a \$30 surcharge is imposed on each application for a license or license renewal submitted during calendar year 1983. This surcharge shall expire December 31, 1983. All surcharge income is appropriated to the department of administration, building code division, for costs directly attributed to the requirements of sections 1 to 13; any additional income shall cancel on December 31, 1983, to the general fund.*

Sec. 15. [REPEALER.]

*Minnesota Statutes 1980, Sections 327.51, 327.52, 327.53, 327.54, 327.55, 327.551, 327.552, 327.553, Subdivisions 2, 3 and 4, 327.554, 327.56; and Minnesota Statutes 1981 Supplement, Sections 327.55, Subdivision 1a and 327.553, Subdivision 1 are repealed.*

Sec. 16. [EFFECTIVE DATE.]

*Sections 1 to 15 of this article are effective August 1, 1982, except that a manufacturer or dealer may continue to operate under its old license until January 1, 1983, subject to the provisions of sections 1 to 4 and 6 to 13.*

ARTICLE II

MANUFACTURED HOME PARK

LOT RENTALS

Section 1. [327C.01] [DEFINITIONS.]

*Subdivision 1. [TERMS.] When used in sections 1 to 17, the terms defined in this section have the meanings given them.*

*Subd. 2. [ADDITIONAL NEW LOT.] "Additional new lot" means a manufactured home lot developed without involving the eviction or dislocation of any current residents at a site where no manufactured home has been previously located.*

*Subd. 3. [IN PARK SALE.] "In park sale" means the sale of a manufactured home owned by a park resident and located in a manufactured home park, after which sale the home remains in the park.*

*Subd. 4. [LOT.] "Lot" means an area within a manufactured home park, designed or used for the accommodation of a manufactured home.*

*Subd. 5. [MANUFACTURED HOME.] "Manufactured home" and "home" have the meaning specified in article 1, section 1, subdivision 13.*

*Subd. 6. [MANUFACTURED HOME PARK.] "Manufactured home park" and "park" have the meaning specified in section 327.14, subdivision 3, but do not include facilities which are open only during three or fewer seasons of the year.*

*Subd. 7. [PARK OWNER.] "Park owner" means the owner of a manufactured home park and any person acting on behalf of the owner in the operation or management of a park.*

*Subd. 8. [PERSON.] "Person" means any individual, corporation, firm, partnership, incorporated and unincorporated association, or any other legal or commercial entity.*

*Subd. 9. [REASONABLE RULE.] "Reasonable rule" means a park rule:*

*(a) which is designed to promote the convenience, safety, or welfare of the residents, promote the good appearance and facilitate the efficient operation of the park, protect and preserve the park premises, or make a fair distribution of services and facilities;*

*(b) which is reasonably related to the purpose for which it is adopted;*

*(c) which is not retaliatory or unjustifiably discriminatory in nature; and*

*(d) which is sufficiently explicit in prohibition, direction, or limitation of the resident's conduct to fairly inform him of what he must or must not do to comply.*

*Subd. 10. [RESIDENT.] "Resident" means an owner of a manufactured home who rents a lot in a manufactured home park and includes the members of his household.*

*Subd. 11. [RULE.] "Rule" means any rental agreement provision, regulation, rule or policy through which a park owner controls, affects or seeks to control or affect the behavior of residents.*

*Subd. 12. [SUBSTANTIAL MODIFICATION.] "Substantial modification" means any change in a rule which: (a) significantly diminishes or eliminates any material obligation of the park owner; (b) significantly diminishes or eliminates any material right, privilege or freedom of action of a resident; or (c) involves a significant new expense for a resident.*

*Subd. 13. [UTILITY SERVICE.] "Utility service" means any electric, fuel oil, natural or propane gas, sewer, waste disposal and water service by whatever means furnished.*

## **Sec. 2. [327C.02] [RENTAL AGREEMENTS.]**

*Subdivision 1. [CONTENTS; WRITING REQUIRED.] Every agreement to rent a lot must be documented by a written rental agreement signed by the park owner and the resident. A copy of the rental agreement shall be given to the applicant for the purpose of reviewing the agreement prior to signing it. The agreement must specify terms and conditions in connection with the rental of the lot and must include:*

*(a) the location of the lot and its address or site number;*

*(b) the amount of rent per month and a statement of all personal property, services and facilities which the park owner agrees to provide to the resident;*

*(c) the rights, duties and obligations of the parties, and all rules applicable to the resident;*

*(d) the amount of any security deposit or other mandatory financial obligation imposed on the resident by the park owner; and*

*(e) the name of any person holding a security interest in the resident's home.*

*Subd. 2. [MODIFICATION OF RULES.] The park owner must give the*

resident at least 60 days notice in writing of any rule change. A rule adopted or amended after the resident initially enters into a rental agreement may be enforced against that resident only if the new or amended rule is reasonable and is not a substantial modification of the original agreement. A reasonable rent increase made in compliance with section 7 is not a substantial modification of the rental agreement and is not considered to be a rule for purposes of section 1, subdivision 9. A rule change necessitated by government action is not a substantial modification of the rental agreement. A rule change requiring all residents to maintain their homes, sheds and other appurtenances in good repair and safe condition shall not be deemed a substantial modification of a rental agreement. If a part of a resident's home, shed or other appurtenance becomes so dilapidated that repair is impractical and total replacement is necessary, the park owner may require the resident to make the replacement in conformity with a generally applicable rule adopted after the resident initially entered into a rental agreement with the park owner.

In any action in which a rule change is alleged to be a substantial modification of the rental agreement, a court may consider the following factors in limitation of the criteria set forth in section 1, subdivision 12:

(a) any significant changes in circumstances which have occurred since the original rule was adopted; and

(b) any compensating benefits which the rule change may produce for the residents.

*Subd. 3. [SERVICE OF NOTICES.]* A park owner may give notice as required by this section or sections 3 and 9: (a) personally, (b) by mailing the notice to the last known mailing address of the resident, or (c) by delivering the notice to the home of the resident. Notice by certified mail is effective even if the resident refuses to accept delivery. Service by delivery to the resident's home is effective if the notice is left at the home with someone of suitable age and discretion or is placed in a secure and conspicuous location at the home.

*Subd. 4. [WAIVER VOID.]* Any attempt to waive or circumscribe any privilege or right guaranteed by law to a resident or a park owner is void.

*Subd. 5. [WRITTEN NOTICE REQUIRED.]* The following notice printed verbatim in boldface type of a minimum size of ten points must be given to a prospective resident before he or she is asked to sign a rental agreement and must be posted in a conspicuous and public location in the park:

#### "IMPORTANT NOTICE

State law provides special rules for the owners and residents of manufactured home parks.

You may keep your home in the park as long as the park is in operation and you meet your financial obligations, obey state and local laws which apply to the park, obey reasonable park rules, do not substantially annoy or endanger the other residents or substantially endanger park personnel and do not substantially damage the park premises. You may not be evicted or have your rent increased or your services cut for complaining to the park owner or to a governmental official.

If you receive an eviction notice and do not leave the park, the park owner may take you to court. If you lose in court, a sheriff may remove you and your

home from the park within seven days. Or, the court may require you to leave the park within seven days but give you 60 days to sell the home within the park.

All park rules and policies must be reasonable. Your rent may not be increased more than twice a year. Changes made in park rules after you become a park resident will not apply to you if they substantially change your original agreement.

Unless you are renting a totally new lot, the park may not charge you an entrance fee. The park may require a security deposit, but the deposit must not amount to more than two months rent.

Unless your home was built before June 15, 1976 and is more than 15 years old at the time of the sale, you have a right to sell the home in the park. But the sale is not final until the park owner approves the buyer as a new resident, and you must advise in writing anyone who wants to buy your home that the sale is subject to final approval by the park owner.

Your rental agreement and the park rules contain important information about your rights and duties. Read them carefully and keep a copy.

For further information concerning your rights, consult a private attorney. The state law governing the rental of lots in manufactured home parks may also be enforced by the Minnesota Attorney General."

### Sec. 3. [327C.03] [FEES.]

*Subdivision 1. [SPECIAL FEES PROHIBITED.] Except as provided in this section and sections 4 and 5, no fee other than the periodic rental payment shall be charged to a park resident or prospective resident or any agent of a resident or prospective resident for the right to obtain or retain a lot.*

*Subd. 2. [INSTALLATION AND REMOVAL CHARGES.] A park owner may contract with a resident to install the resident's home on a lot or to remove the resident's home from the park. The contract must be in writing and the park owner may charge for the service. A park owner may not require a resident to use the park owner's service to install or remove a home unless the owner provides the service without charge.*

*Subd. 3. [RENT.] All periodic rental payments charged to residents by the park owner shall be uniform throughout the park, except that a higher rent may be charged to a particular resident due to the larger size or location of the lot, or the special services or facilities furnished to him by the park. A park owner may charge a fee for delinquent rent where the fee is provided for in the rental agreement. The fee shall be enforceable as part of the rent owed by the resident. No park owner shall charge to a resident any fee, whether as part of or in addition to the periodic rental payment, which is based on the number of persons residing or staying in the resident's home, the number or age of children residing or staying in the home, the number of guests staying in the home, the size of the home, the fact that the home is temporarily vacant or the type of personal property used or located in the home. The park owner may charge an additional fee for pets owned by the resident, but the fee may not exceed \$4 per pet per month. This subdivision does not prohibit a park owner from abating all or a portion of the rent of a particular resident with special needs.*

*Subd. 4. [SECURITY DEPOSIT.] A park owner may require a resident to*

deposit with the park owner a fee, not to exceed the amount of two months' rent, to secure the resident's performance of the rental agreement and to protect the park owner against damage by the resident to park property, including any damage done by the resident in the installation or removal of the resident's home. The provisions of section 504.20 shall apply to any security deposit required by a park owner under this subdivision.

*Subd. 5. [MAINTENANCE CHARGES.]* If park rules or state or local law provide for lot maintenance or impose conditions on the use of common areas and a resident fails to do the required maintenance or meet the conditions, the park owner may do the maintenance or satisfy the conditions and charge the resident the reasonable cost, plus a fee of up to \$10, if:

(a) before doing the work the park owner gives the resident a written notice specifying the work that has to be done, stating which rule or law requires the work to be done, advising the tenant that if the work is not done promptly the park will do the work and bill the resident, and stating a reasonable deadline by which the resident must do the work;

(b) after receiving the notice, the resident fails to do the work by the stated deadline; and

(c) after the work is done by the park owner, the park owner serves the resident with a written notice of the charge.

If a resident's failure to do required maintenance or meet a condition imposed on the use of common areas causes an immediate danger to park facilities or to the health or safety of other residents, the park owner may give the resident a written notice requiring immediate compliance. If immediate compliance is essential and delivery of a notice is impractical or useless, the park owner may do the work without giving notice and may charge the tenant the reasonable cost. A notice given pursuant to this subdivision neither precludes nor suffices as the notice required by section 10, subdivisions 3 to 7.

Charges made pursuant to this subdivision shall be enforceable as part of the rent owed by the resident. The notice required by clause (c) shall specify the work performed, the date of its performance, the total cost of performing the work, the method used in computing the cost and a deadline for payment by the resident. The deadline shall not be less than 30 days after the service of the notice.

#### Sec. 4. [327C.04] [NEW CONSTRUCTION ENTRANCE FEES.]

*Subdivision 1. [AMOUNT LIMITED.]* Any park owner who begins construction of additional, new lots after the effective date of this section may charge an entrance fee to the initial resident to occupy the lot. The entrance fee must not be more than ten percent of the money spent by the park owner to construct the lot. The park owner may not require payment of the fee before the lot is ready for occupancy.

*Subd. 2. [CEASING OPERATION LIMITED.]* A park owner who has collected an entrance fee for a lot pursuant to this section, may not cease to operate that lot as part of a park pursuant to section 10, subdivision 9, or recover possession of the lot pursuant to section 10, subdivision 8, unless:

(a) 15 years have elapsed since the entrance fee was paid; or

(b) the park owner pays the resident then occupying the lot the amount of the



entrance fee plus interest at the rate set by the state court administrator pursuant to section 549.09.

**Sec. 5. [327C.05] [UTILITY CHARGES.]**

*Subdivision 1. [BILLING PERMITTED.] A park owner who provides utility service to residents may charge the residents for that service, only if the charges comply with this section.*

*Subd. 2. [METERING REQUIRED.] A park owner who charges residents for a utility service must charge each household the same amount, unless the park owner has installed measuring devices which accurately meter each household's use of the utility.*

*Subd. 3. [PERMISSIBLE RATES.] Except as provided in subdivision 4, no park owner shall, directly or indirectly, charge or otherwise receive payment from a resident for a utility service, or require a resident to purchase a utility service from the park owner or any other person, at a rate which is greater than either of the following:*

*(a) a rate which the resident could pay directly for the same utility service from some other comparable source in the same market area; or*

*(b) a rate which is charged to single family dwellings with comparable service within the same market area.*

*Subd. 4. [ELECTRICITY.] If a park owner provides electricity to residents by reselling electricity purchased from a public or municipal utility or electrical cooperative, and compliance with subdivision 3 would cause the park owner to lose money on the sale of electricity, the park owner may bill residents at a rate calculated to allow the park owner to avoid losing money on the sale of electricity. In calculating the cost of providing electricity, the park owner may consider only the actual amount billed by the public utility or electrical cooperative to the park owner for electricity furnished to residents. The park owner may not consider administrative, capital or other expenses.*

**Sec. 6. [327C.06] [RULES.]**

*Subdivision 1. [UNREASONABLE RULES PROHIBITED.] No park owner shall adopt or enforce unreasonable rules. No park owner may engage in a course of conduct which is unreasonable in light of the criteria set forth in section 1, subdivision 9.*

*Subd. 2. [PRESUMPTIVELY UNREASONABLE RULES.] In any action in which the reasonableness of a rule is challenged, any rule which violates any provision of this article or of any other law shall be deemed unreasonable, and the following rules shall be presumed unreasonable unless the park owner proves their reasonableness by clear and convincing evidence:*

*(a) any rule which prohibits a resident from placing a "for sale" sign on his home;*

*(b) any rule which requires a resident or prospective resident to purchase any particular goods or services from a particular vendor or vendors, including the park owner;*

*(c) any rule which requires a resident to use the services of a particular dealer or broker in an in park sale; and*

(d) any rule requiring that more than one occupant of a home have an ownership interest in that home.

**Subd. 3. [OTHER UNREASONABLE RULES.]** In addition to the rules listed in subdivision 2 a court may declare unreasonable any park rule if the court finds that the rule fails to meet the standard of section 1, subdivision 9. The absence of a rule from the list contained in subdivision 2 is not evidence or proof of the rule's reasonableness.

**Subd. 4. [DENSITY RESTRICTIONS.]** Subject to section 2, subdivision 2, a park owner may adopt and enforce a reasonable rule that places limits on the maximum number of persons permitted to reside in a manufactured home.

### Sec. 7. [327C.07] [RENT INCREASES.]

**Subdivision 1. [NOTICE OF RENT INCREASES REQUIRED.]** No increase in the amount of the periodic rental payment due from a resident shall be valid unless the park owner gives the resident 60 days' written notice of the increase.

**Subd. 2. [PROHIBITION.]** No rent increase shall be valid if its purpose is to pay, in whole or in part, any civil or criminal penalty imposed on the park owner by a court or a government agency.

**Subd. 3. [RENT INCREASES LIMITED.]** A park owner may impose only two rent increases on a resident in any 12 month period.

### Sec. 8. [327C.08] [IN PARK SALES.]

**Subdivision 1. [RESIDENT'S RIGHTS.]** Except as otherwise provided in this section, a resident has the right to sell his home through an in park sale, unless the home was manufactured prior to June 15, 1976 and is more than 15 years old at the time of the sale. The park owner may not charge a fee for allowing the resident to exercise this right, except to charge a fee of up to \$25 for processing a prospective buyer's tenancy application. If the park owner is licensed as a dealer, the park owner may agree in writing to broker the in park sale of a resident's home. The park owner may not require a resident to use the park owner's services as a broker. The park owner may not give preferential treatment to applications for tenancy from people seeking to buy homes whose in park sale is being brokered by the park owner.

**Subd. 2. [PARK OWNER'S RIGHTS.]** Any in park sale is subject to the park owner's approval of the buyer as a resident. A park owner may not deny a prospective buyer approval as a resident unless:

(a) the park owner has specified in writing the procedures and criteria used to evaluate the creditworthiness and suitability as a resident of individuals seeking to buy homes offered for in park sale;

(b) the written disclosure required by clause (a) is made available on request at no charge to residents, prospective buyers, and their agents;

(c) the park owner is available to the prospective buyer at reasonable times if the park owner requires the prospective buyer to apply or be interviewed in person;

(d) all the specified procedures and criteria are reasonable and applied uniformly;

(e) in evaluating a prospective buyer, the park owner does not use any stricter standards than it uses for evaluating other prospective residents;

(f) the park owner does not deny tenancy to a prospective buyer for any reason prohibited by federal, state or local law;

(g) within 14 days of receiving a completed application form, the park owner makes a decision or gives the prospective buyer and the seller a written explanation of the specific reasons for the delay and makes a decision as soon as practicable;

(h) if the park owner denies tenancy to a prospective buyer, the park owner gives the prospective buyer a written explanation of the denial within three days of receiving a written request for an explanation; and

(i) the decision to deny tenancy is reasonable in light of the criteria set forth in section 1, subdivision 9.

*Subd. 3. [APPLICATION INFORMATION.]* When the prospective buyer of an in park sale seeks approval as a resident, the park owner may require the prospective buyer to submit information reasonably necessary to determine whether the prospective buyer satisfies the park's criteria as stated by the park in its rules. The required information may include the purchase price of the home and the amount of monthly payments on the home, together with any documents reasonably necessary to verify the information. The park owner may inquire into the creditworthiness of the prospective buyer but may not require the submission of any information concerning the business relationship between the seller and a dealer acting for the seller.

*Subd. 4. [INSPECTIONS OF THE HOME.]* Before approving an in park sale, the park owner may inspect the resident's lot and the exterior of the resident's manufactured home to see whether they comply with reasonable and pre-existing rules applicable to the resident and relating to maintenance. The park owner may not charge any fee for this inspection. As a condition to approving an in park sale, the park owner may require that the resident or the prospective buyer take whatever action is necessary to bring the lot or the home exterior into compliance with pre-existing maintenance rules applicable to the resident, and may require that any lot rent and other charges due to the park be paid. The park owner may require the prospective buyer to agree to rules different from those applicable to the resident, but the park owner may not require the prospective buyer or the resident to comply with any rule adopted or amended after the resident entered into the rental agreement which would:

(a) significantly increase the difficulty or time involved in selling the resident's home;

(b) significantly decrease the price at which the resident's home can be sold;  
or

(c) involve any other significant cost for either the resident or the buyer, except for costs involved in doing any work necessary to bring the home or lot into compliance with pre-existing maintenance rules applicable to the resident.

Provided that if a part of the resident's home, shed, or other appurtenance has become so dilapidated that repair is impractical and total replacement is necessary, the park owner may require the resident or prospective buyer to make the replacement in conformity with a generally applicable rule adopted

after the resident initially entered into a rental agreement with the park owner.

*Subd. 5. [TEMPORARY VACANCY OF HOME.] If a home is being offered for in park sale, the home may remain vacant for 90 days, or longer if not prohibited by park rules. The park owner may not impose any additional fees or requirements on the owner of a vacant home being offered for in park sale, but the rent must be paid on time and the home and the lot must be maintained as required by the rules.*

*Subd. 6. [SALES CONTINGENT.] Any contract for an in park sale which is not expressly made contingent on the park owner's approval of the buyer as a resident is voidable at the instance of the buyer if the park owner's approval is denied. Any person who sells, or signs a contract purporting to sell, a home located in a park while representing, either directly or indirectly, that the buyer can maintain the home in the park, and who does not inform the buyer in writing that the sale is contingent on the park owner's approval of the buyer as a resident has violated section 325F.69, subdivision 1.*

*Subd. 7. [REPOSSESSING FINANCE PARTIES.] Any holder of a security interest who repossesses a manufactured home located in a park has the same rights as a resident to sell the home through an in park sale if:*

*(a) as soon as the secured party either accepts voluntary repossession or takes any action pursuant to sections 327.61 to 327.67, the secured party notifies the park owner that the home has been or is being repossessed;*

*(b) at the time the park owner receives the notice, the park owner has not already recovered possession of the lot through an unlawful detainer proceeding;*

*(c) the secured party pays any past due lot rent not to exceed three months rent;*

*(d) the secured party makes monthly lot rent payments until a buyer of the repossessed home has been approved by the park owner as a resident. A secured party's liability for past due rent under this subdivision does not include late fees or other charges; and*

*(e) the secured party complies with all park rules relating to lot and home maintenance.*

*A secured party who is offering a home for in park sale under this subdivision is subject to eviction on the same grounds as a resident.*

#### **Sec. 9. [327C.09] [REMOVAL AFTER REPOSSESSION.]**

*A secured party who repossesses a manufactured home located in a park and then removes the home from the lot owes the park owner rent for the period beginning when the secured party accepts voluntary repossession or takes an action pursuant to sections 327.61 to 327.67 and ending on the last day of the calendar month in which the home is removed. The secured party does not owe the park owner any lot rent or other charges which accrued prior to the time the secured party accepted voluntary repossession or took action pursuant to sections 327.61 to 327.67, if:*

*(a) Within seven days after accepting voluntary repossession or taking action pursuant to sections 327.61 to 327.67, the secured party notifies the park owner in writing that the home is being repossessed;*

*(b) During a proceeding for repossession pursuant to sections 327.61 to 327.67 or chapter 565, the secured party pays each month's lot rent as the rent becomes due; and*

*(c) Within seven days of accepting voluntary repossession or obtaining a court order for repossession, the secured party removes the home from the park.*

*If the secured party fails to meet any of these conditions, the secured party shall also be liable to the park owner for all overdue rent, not to exceed three months and not including late fees or other charges, owed to the park owner on account of the home.*

*This section does not affect any liability or obligation which a secured party may have to a park owner who pursuant to a writ of restitution has removed a home from a lot and stored the home.*

Sec. 10. [327C.10] [TERMINATION.]

*Subdivision 1. [CAUSE REQUIRED.] A park owner may recover possession of land upon which a manufactured home is situated only for a reason specified in this section.*

*Subd. 2. [NONPAYMENT OF RENT OR UTILITIES.] The park owner gives ten days written notice to the resident and to any party holding a security interest in the resident's home known to the park owner that a periodic rental or utilities payment owed to the park owner is overdue, and neither the resident nor the secured party cures the default within ten days of receiving the notice.*

*Subd. 3. [VIOLATIONS OF LAW.] The resident fails to comply with a local ordinance or state law or rule relating to manufactured homes within the time the ordinance, law or rule provides or, if no time is provided, within a reasonable time after the resident has received written notice of noncompliance.*

*Subd. 4. [RULE VIOLATIONS.] The resident fails to comply with a rule within 30 days after receiving written notice of the alleged noncompliance, except the 30 day notice requirement does not apply to nonpayment of rent.*

*Subd. 5. [SUBSTANTIAL ANNOYANCE.] The resident acts in the park in a manner which endangers other residents or park personnel, causes substantial damage to the park premises or substantially annoys other residents, and has received 30 days written notice to vacate, except the park owner may require the resident to vacate immediately if the resident violates this subdivision a second or subsequent time after receipt of the notice. A park owner seeking to evict pursuant to this subdivision need not produce evidence of a criminal conviction, even if the alleged misconduct constitutes a criminal offense.*

*Subd. 6. [REPEATED SERIOUS VIOLATIONS.] The resident has repeatedly committed serious violations of the rental agreement or provisions of a local ordinance or state law or state rule relating to manufactured homes, and the park owner has given the resident written notice of the violations and has given the resident a written warning that any future serious violation will be treated as cause for eviction as provided in this subdivision, and within six months of receiving the warning the resident commits a serious violation of any park rule or any provision of a local ordinance or state law or state rule.*

*relating to manufactured homes.*

*Subd. 7. [MATERIAL MISSTATEMENT IN APPLICATION.] The resident's application for tenancy contained a material misstatement which induced the park owner to approve the applicant as a resident, and the park owner discovers and acts upon the misstatement within one year of the time the resident began paying rent.*

*Subd. 8. [IMPROVEMENTS.] The park owner has specific plans to make improvements to the park premises which will substantially benefit the health and safety of the residents or have been ordered by a government agency, and which necessitate removal of the resident's manufactured home from the park. The park owner must give the resident 90 days written notice. If another lot is available in the park, the park owner must allow the resident to relocate the home to that lot unless the home, because of its size or local ordinance, is not compatible with that lot.*

*Subd. 9. [PARK CLOSINGS.] The park owner voluntarily ceases to operate as a park the part of the manufactured home park occupied by the resident, and gives the resident nine months written notice of the planned cessation of operation. If another lot is available in a section of the park, still being operated as a park, the park owner must allow the resident to relocate the home to that lot unless the home, because of its size or local ordinance, is not compatible with that lot.*

**Sec. 11. [327C.11] [DEFENSES TO EVICTION.]**

*Subdivision 1. [NONPAYMENT OF RENT.] In any action to recover possession for failure to pay rent, it shall be a defense that the sum allegedly due contains a charge which violates section 4, or that the park owner has injured the defendant by failing to comply with section 504.18.*

*Subd. 2. [NONPAYMENT OF RENT INCREASE.] In any action to recover possession for failure to pay a rent increase, it shall be a defense that the park owner:*

*(a) failed to comply with the provisions of section 7, subdivision 2;*

*(b) increased the rent for a reason or reasons prohibited by section 7, subdivision 3.*

*Subd. 3. [RULE VIOLATIONS.] In any action to recover possession for the violation of a park rule, it shall be a defense that the rule allegedly violated is unreasonable.*

*Subd. 4. [RETALIATORY CONDUCT.] In any action to recover possession it shall be a defense that the park owner has violated section 13.*

**Sec. 12. [327C.12] [EVICTION PROCEEDINGS.]**

*Subdivision 1. [RIGHT OF REDEMPTION.] The right of redemption, as expressed in section 504.02 and the common law, is available to a resident from whom a park owner seeks to recover possession for nonpayment of rent, but no resident may exercise that right more than twice in any 12 month period; provided, that a resident may exercise the right of redemption more than twice in any 12 month period if he pays the park owner's actual reasonable attorney's fees as part of each additional exercise of that right during the 12 month period.*

*An exercise of the right of redemption shall not be counted for the purposes of this subdivision if the resident pays not only the rent due and the park owner's court costs, but also the park owner's actual reasonable attorney's fees.*

*Subd. 2. [WAIVER BY ACCEPTING RENT.] A park owner who gives a resident a notice as provided in section 10, subdivisions 3, 4, 6, 8 or 9, does not waive the notice by afterwards accepting rent. Acceptance of rent for a period after the expiration of a final notice to quit waives that notice unless the parties agree in writing that the notice continues in effect.*

*Subd. 3. [WRIT OF RESTITUTION STAYED.] The issuance of a writ of restitution, other than a conditional writ, shall be stayed for a reasonable period not to exceed seven days to allow the resident to arrange to remove his home from the lot.*

*Subd. 4. [CONDITIONAL WRIT.] Where the interests of justice require the court may issue a conditional writ of restitution, which orders the resident and all those in the resident's household to stop residing in the park within a reasonable period not to exceed seven days, but which (i) allows the resident's home to remain on the lot for 60 days for the purpose of an in park sale, as provided in section 8 and (ii) allows the park owner to terminate all utilities to the home and to require the home to be prepared for disconnection of the utilities. The writ shall also direct the park owner to notify any party holding a security interest in the resident's home and known to the park owner, of the provisions of the writ. If the court issues a conditional writ, the resident may keep the home on the lot for 60 days for an in park sale if:*

*(a) neither the resident nor members of the resident's household reside in the park;*

*(b) the resident complies with all rules relating to home and lot maintenance; and*

*(c) the resident pays on time all rent and utility charges owed to the park owner. If the resident fails to meet any of these conditions, the park owner may, on three days written notice to the resident, move the court for an order making the writ of restitution unconditional. Sixty-one days after the issuance of a conditional writ, the writ shall become absolute without further court action.*

### **Sec. 13. [327C.13] [RETALIATORY CONDUCT PROHIBITED.]**

*A park owner may not increase rent, decrease services, alter an existing rental agreement or seek to recover possession or threaten such action in whole or in part as a penalty for a resident's:*

*(a) good faith complaint to the park owner or to a government agency or official; or*

*(b) good faith attempt to exercise his rights or remedies pursuant to state or federal law. In any proceeding in which retaliatory conduct is alleged, the burden of proving otherwise shall be on the park owner if the owner's challenged action began within 90 days after the resident engaged in any of the activities protected by this section. If the challenged action began more than 90 days after the resident engaged in the protected activity, the party claiming retaliation must make a prima facie case. The park owner must then prove otherwise.*

Sec. 14. [327C.14] [FREEDOM OF EXPRESSION.]

*No park owner shall prohibit or adopt any rule prohibiting residents or other persons from peacefully organizing, assembling, canvassing, leafletting or otherwise exercising within the park their right of free expression for noncommercial purposes. A park owner may adopt and enforce rules that set reasonable limits as to time, place and manner.*

Sec. 15. [327C.15] [RIGHT OF ACCESS.]

*Subdivision 1. [TO THE HOME.] A park owner has no right of access to a manufactured home located within the park unless access is necessary to prevent damage to the park premises or to respond to an emergency.*

*Subd. 2. [TO THE LOT.] A park owner may come onto a manufactured home lot in order to inspect the lot, make necessary or agreed upon repairs or improvements, supply necessary or agreed upon goods or services or exhibit the lot to prospective or actual purchasers, mortgagees, residents, workers or contractors. The park owner may come onto the resident's lot whenever necessary to respond to or prevent an emergency, but otherwise may not come onto the lot at unreasonable times or in a way that unreasonably disrupts the resident's use and enjoyment of the lot.*

Sec. 16. [327C.16] [REMEDIES; PENALTIES; ENFORCEMENT.]

*Any violation of sections 1 to 15 is a violation of a law referred to in section 8.31, subdivision 1.*

Sec. 17. Minnesota Statutes 1980, Section 363.02, is amended by adding a subdivision to read:

*Subd. 2a. [MANUFACTURED HOME PARKS.] The provisions of section 363.03, subdivision 2, prohibiting discrimination because of familial status:*

*(1) do not apply to a manufactured home park the majority of whose lots are reserved by park rule to households containing at least one elderly person; and*

*(2) do not apply to a section or sections of a manufactured home park which are identified by park rule and do not comprise more than one-third of the lots in the park. This subdivision does not allow a park owner to avoid complying with section 2, subdivision 2, section 6 or section 8, subdivision 4 when adopting or amending a rule concerning the permitted familial status of residents or of buyers of homes offered for in park sale.*

Sec. 18. Minnesota Statutes 1980, Section 566.18, Subdivision 2, is amended to read:

*Subd. 2. [TENANT.] "Tenant" means any person who is occupying a dwelling in a building as defined in subdivision 7, under any agreement, lease, or contract, whether oral or written, and for whatever period of time, which requires the payment of moneys as rent for the use of the dwelling unit, and all other regular occupants of such that dwelling unit, and any resident of a manufactured home park.*

Sec. 19. Minnesota Statutes 1980, Section 566.18, Subdivision 7, is amended to read:

*Subd. 7. [BUILDING.] "Building" means any building used in whole or in part as a dwelling, including single family homes, multiple family units such as*



apartments, and structures containing both dwelling units and units used for nondwelling purposes, *and also includes a manufactured home park.*

Sec. 20. Minnesota Statutes 1980, Section 566.18, Subdivision 8, is amended to read:

Subd. 8. [INSPECTOR.] "Inspector" means the person charged by the governing body of the political subdivision in which a building is situated, with the responsibility of enforcing provisions of local law, the breach of which could constitute a violation as defined in subdivision 6, clause (a), or if no such person, the county health officer or the chairman of the board of county commissioners, *and in the case of a manufactured home park, the state department of health, or its designee.*

Sec. 21. [REPEALER.]

*Subdivision 1. Minnesota Statutes 1980, Sections 327.41, 327.42, 327.43, 327.45, 327.451, 327.452, 327.46, 327.47 are repealed.*

*Subd. 2. Minnesota Statutes 1981 Supplement, Sections 327.44 and 327.441 are repealed.*

Sec. 22. [EFFECTIVE DATE.]

*Sections 1 to 3, 5 to 9, 11 to 16, and 21, subdivision 1, of this article are effective August 1, 1982, and apply to all rental agreements commenced, renewed or extended on or after that date. Sections 4, 10, 17 to 20, and 21, subdivision 2, of this article are effective the day following final enactment.*

### ARTICLE III

#### MISCELLANEOUS PROVISIONS

Section 1. Minnesota Statutes 1980, Section 168A.02, Subdivision 3, is amended to read:

Subd. 3. [TITLE CERTIFICATE.] A certificate of title is required for a ~~mobile~~ *manufactured home, as defined in section 327.31, subdivision 6. In every certificate of title issued for a manufactured home, the department shall insert the following notice: THIS TITLE DESCRIBES A MANUFACTURED HOME NOT A MOTOR VEHICLE.*

Sec. 2. [168A.141] [MANUFACTURED HOMES PERMANENTLY AFFIXED TO REAL ESTATE.]

*Subdivision 1. [PROCEDURE.] The owner of a manufactured home which is affixed as an improvement to real estate may surrender the home's certificate of title to the department for cancellation. The owner shall give the department the address and location of the real estate. The department may require the filing of other information.*

*Subd. 2. [SECURITY INTERESTS.] The department may not cancel a certificate of title if a security interest has been perfected on the manufactured home. If a security interest has been perfected, the department shall notify the owner and each secured party that the certificate of title and a description of the security interest have been surrendered to the department and that the department will not cancel the certificate of title until the security interest is satisfied. Permanent attachment to real estate does not extinguish an otherwise valid security interest in or tax lien on the home.*

Sec. 3. Minnesota Statutes 1980, Section 327.14, is amended to read:

327.14 [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of sections 327.10, 327.11, 327.14 to 327.28 the terms defined in this section shall have the meanings ascribed to given them.

Subd. 2. [MOBILE MANUFACTURED HOME.] The words "mobile "Manufactured home" when used in sections 327.10, 327.11, 327.14 to 327.28 shall mean a transportable, single family dwelling unit suitable for year round occupancy and containing the same water supply, waste disposal and electrical conveniences as immobile housing and subject to tax or registration, as such, under the provisions of chapters 168 or 273 and having no foundation other than wheels, jacks or skirtings has the meaning specified in section 327.31, subdivision 6.

Subd. 3. [MOBILE MANUFACTURED HOME PARK.] The words "mobile "Manufactured home park" as used in sections 327.10, 327.11, 327.14 to 327.28 shall mean means any site, lot, field or tract of land upon which two or more occupied mobile manufactured homes are harbored located, either free of charge or for revenue purposes compensation, and shall include includes any building, structure, tent, vehicle or enclosure used or intended for use as part of the equipment of such mobile the manufactured home park.

Subd. 4. [MUNICIPALITY.] The word "municipality" as used in sections 327.10, 327.11, 327.14 to 327.28 shall mean "Municipality" means any city, town or township in this state, however organized.

Subd. 5. [PRIMARY LICENSE.] The words "Primary license" shall mean means the initial license issued to the first person, firm or corporation to establish and maintain, conduct or operate a mobile manufactured home park or recreational camping area at any one location.

Subd. 6. [ANNUAL LICENSE.] The words "Annual license" shall mean means a renewal license issued to the person, firm or corporation operating a previously licensed mobile home park or recreational park or recreational camping area.

Subd. 7. [RECREATIONAL CAMPING VEHICLE.] The words "Recreational camping vehicle" as when used in sections 327.14 to 327.28 shall mean any of includes the following:

(a) Travel trailer means a any vehicular, portable structure built on a chassis, designed to be used as a temporary dwelling for travel, recreational, and vacation uses, permanently identified "Travel Trailer" by the manufacturer of the trailer.;

(b) Pick-up coach means a any structure designed to be mounted on a truck chassis for use as a temporary dwelling for travel, recreation, and vacation.;

(c) Motor home means a any portable, temporary dwelling to be used for travel, recreation, and vacation, constructed as an integral part of a self-propelled vehicle.;

(d) Camping trailer means a any folding structure, mounted on wheels and designed for travel, recreation, and vacation use.

Subd. 8. [RECREATIONAL CAMPING AREA.] The words "Recreational

camping area" as used in sections 327.10, 327.11, 327.14 to 327.28 shall mean means any area, whether privately or publicly owned, used on a daily, nightly, weekly, or longer basis for the accommodation of five or more units, consisting of tents, travel trailers, pick-up coaches, motor homes, or camping trailers and whether use of such accommodation is granted or recreational camping vehicles free of charge or for compensation. ~~Provided, that nothing in this definition shall be construed to "Recreational camping area" does not include children's camps, industrial camps, migrant labor camps, as defined in Minnesota Statutes and state commissioner of health regulations rules, and also shall not include United States forest service camps, state forest service camps, state wildlife management areas or state owned public access areas which are restricted in use to picnicking and boat landing.~~

Sec. 4. Minnesota Statutes 1980, Section 327.16, Subdivision 2, is amended to read:

Subd. 2. [CONTENTS.] The applicant for such a primary license or annual license shall make application in writing upon such form as a form provided by the state department of health may provide, and shall set setting forth:

(1) The full name and address of the applicant or applicants, or names and addresses of the partners if the applicant is a partnership, or the names and addresses of the officers if the applicant is a corporation.

(2) A legal description of the site, lot, field, or tract of land upon which ~~it is proposed the applicant proposes~~ to operate and maintain a mobile manufactured home park or recreational camping area.

(3) The proposed and existing facilities on and about ~~said the~~ site, lot, field, or tract of land for the proposed construction or alteration and maintaining of a sanitary community building for toilets, urinals, sinks, wash basins, slop-sinks, and showers, drains, laundry facilities, source of water supply; sewage, garbage and waste disposal; except that no toilet facilities shall be required to be constructed in any mobile manufactured home park which permits thereon only mobile manufactured homes equipped with toilet facilities discharging to water carried sewage disposal systems; and method of fire and storm protection.

(4) The proposed method of lighting the structures and site, lot, field, or tract of land upon which ~~said mobile the~~ manufactured home park or recreational camping area is to be located.

(5) ~~Designate~~ The calendar months of the year which ~~the~~ applicant will operate ~~said mobile the~~ manufactured home park or recreational camping area.

(6) Plans and drawings for new construction or alteration, including buildings, wells, plumbing and sewage disposal systems.

Sec. 5. Minnesota Statutes 1980, Section 327.20, Subdivision 1, is amended to read:

Subdivision 1. [REGULATIONS.] No domestic animals or house pets of occupants of mobile manufactured home parks or recreational camping areas shall be allowed to run at large, or commit any nuisances within the limits of a mobile manufactured home park or recreational camping area. Each mobile manufactured home park or recreational camping area licensed under the provisions of sections 327.10, 327.11, 327.14 to 327.28 shall, among other

things, provide for the following, in the manner hereinafter specified:

(1) A responsible attendant or caretaker shall be in charge of every ~~mobile manufactured~~ home park or recreational camping area at all times, ~~and the whose duty of said attendant or caretaker~~ it shall be to maintain the park, or area, and its facilities and equipment in a clean, orderly and sanitary condition. *In any manufactured home park containing more than fifty lots the attendant or caretaker, or other responsible park employee, shall be readily available at all times in case of emergency.*

(2) ~~No mobile~~ All manufactured home park parks shall be well drained and be so located so that the drainage of the park area will not endanger any water supply. ~~All such parks shall be well drained.~~ No waste water from ~~mobile manufactured~~ homes or recreational camping vehicles shall be deposited on the surface of the ground. All sewage and other water carried wastes shall be discharged into a municipal sewage system whenever available. When ~~such a~~ municipal sewage system is not available, a sewage disposal system acceptable to the state commissioner of health shall be provided.

(3) ~~No mobile~~ manufactured home shall be ~~parked~~ located closer than three feet to the side lot lines of a ~~mobile~~ manufactured home park, if the abutting property is improved property, or closer than ten feet to a public street or alley. Each individual ~~mobile~~ home site shall abut or face on a driveway or clear unoccupied space of not less than 16 feet in width, which space shall have unobstructed access to a public highway or alley. There shall be an open space of at least ten feet between the sides of adjacent ~~mobile~~ manufactured homes including their attachments and at least three feet between ~~mobile~~ manufactured homes when parked end to end. The space between ~~mobile~~ manufactured homes may be used for the parking of motor vehicles and other property, provided ~~such the~~ vehicle or other property ~~be~~ is parked at least ten feet from the nearest adjacent ~~mobile~~ manufactured home position. The requirements of this paragraph shall not apply to recreational camping areas and variances may be granted by the state commissioner of health in ~~mobile~~ manufactured home parks when the variance is applied for in writing and in the opinion of the commissioner ~~such the~~ variance will not endanger the health, safety and welfare of ~~mobile~~ manufactured home park occupants.

(4) An adequate supply of water of safe, sanitary quality shall be furnished at each ~~mobile~~ manufactured home park or recreational camping area. The source of ~~such the~~ water supply shall first be approved by the state department of health. At least one water supply outlet shall be provided at convenient locations throughout the ~~mobile~~ manufactured home park or recreational camping area.

(5) All plumbing shall be installed in accordance with the ~~provisions of the regulations~~ rules of the state commissioner of health and the provisions of the Minnesota plumbing code.

(6) *In the case of a manufactured home park, a plan for the sheltering or the safe evacuation to a safe place of shelter of the residents of the park in times of severe weather conditions, such as tornadoes, high winds and floods. The shelter or evacuation plan shall be developed with the assistance and approval of the municipality where the park is located and shall be posted at conspicuous locations throughout the park. Nothing in this paragraph requires the department of health to review or approve any shelter or evacuation plan developed by a park. Failure of a municipality to approve a plan submitted by a park shall not be grounds for action against the park by the department of health if the park has made a good faith effort to develop the plan and obtain*

*municipal approval.*

Sec. 6. Minnesota Statutes 1980, Section 327.24, is amended by adding a subdivision to read:

*Subd. 3. [PRIVATE REMEDIES.] Any person injured or threatened with injury by a violation of sections 327.14 to 327.28 or of the rules of the department of health applicable to manufactured home parks may bring a private action in any court of competent jurisdiction.*

Sec. 7. Minnesota Statutes 1980, Section 327.26, is amended to read:

**327.26 [NO LOCAL LICENSES LOCAL AUTHORITY OVER PARKS AND CAMPING AREAS.]**

*Subdivision 1. [LOCAL LICENSES PROHIBITED.] No ~~city, town or political subdivision of this state~~ municipality may impose any license (1) upon any licensed ~~mobile~~ manufactured home park or recreational camping area complying with the provisions of sections 327.10, 327.11, 327.14 to 327.28, or (2) upon any occupant of ~~any such mobile~~ a licensed manufactured home park, on or after January 1, 1952.*

*Subd. 2. [LOCAL LAW ENFORCEMENT.] Any municipality which enacts or has enacted laws or ordinances relating to the safety and protection of persons and property is empowered to enforce the laws or ordinances within any manufactured home park or recreational camping area located in the municipality, notwithstanding the fact that the park or area may constitute private property.*

Sec. 8. Minnesota Statutes 1980, Section 327.27, Subdivision 2, is amended to read:

*Subd. 2. [STATE SPEED LIMIT.] Except as provided in section 9, it shall be unlawful for any type vehicle to travel at a rate in excess of ten miles per hour while within the limits of a ~~mobile~~ manufactured home park or recreational camping area ~~and such ten~~. The ten miles per hour limit shall be clearly posted throughout the ~~mobile~~ manufactured home park or recreational camping area, and may be enforced by the municipality in which the park or area is located.*

Sec. 9. Minnesota Statutes 1980, Section 327.27, is amended by adding a subdivision to read:

*Subd. 2a. [LOCAL SPEED LIMIT.] A municipality may, by ordinance, set and enforce in a manufactured home park a speed limit which is higher than ten miles per hour but which is not higher than 30 miles per hour. The local speed limit shall be clearly posted throughout the manufactured home park.*

Sec. 10. Minnesota Statutes 1980, Section 327.62, Subdivision 2, is amended to read:

*Subd. 2. "~~Mobile~~ "Manufactured home" means a ~~mobile~~ manufactured home, as defined in section 327.31, subdivision 6, which is located in this state, which is subject to a security interest or other valid encumbrance, and which is the principal residence of the ~~mobile~~ manufactured home's occupant; provided, that when used in section 11, subdivision 2, the term also includes a manufactured home which is not the principal residence of the occupant.*

Sec. 11. Minnesota Statutes 1980, Section 327.63, is amended to read:

## 327.63 [APPLICABILITY.]

*Subdivision 1. [U.C.C. AND CHAPTER 565.] To the extent that the procedures established by sections 327.61 to 327.67 differ from the procedures established or authorized for repossession of a mobile home under the uniform commercial code of this state, the provisions of sections 327.61 to 327.67 shall supersede the code and shall govern the repossession of the mobile home. The procedures established by sections 327.61 to 327.64 and sections 327.66 to 327.67 must be satisfied before a secured party may take any action pursuant to chapter 565.*

*Subd. 2. [IMPROVEMENTS TO REAL PROPERTY.] Affixing a manufactured home to real estate does not extinguish an otherwise valid security interest in the home. A manufactured home which is affixed to real estate while not encumbered by a valid security interest shall be treated as an improvement to real estate and sections 327.61 to 327.67 shall not apply to it. If real estate to which an unencumbered manufactured home has been affixed as an improvement is subject to proceedings under section 559.21 or chapters 580 or 581, the presence of the home on the real estate does not necessitate any changed or additional procedures.*

Sec. 12. Minnesota Statutes 1980, Section 327.65, is amended to read:

## 327.65 [COURT ORDER.]

Upon expiration of the 30 day period specified in the notices required by section 327.64, a secured party may apply to a competent court of any jurisdiction within this state for an order pursuant to chapter 565 directing the debtor to peacefully return full possession of the mobile home to the secured party seizure and delivery of the manufactured home. The application shall be accompanied by a copy of the security agreement entitling the secured party to repossession of the mobile manufactured home and by the affidavit required by section 327.64 if notice is mailed to the debtor. The action shall proceed in the same manner as other actions for repossessing personal property, and The notices required by section 327.64 shall not be considered as satisfying any of the notice requirements under those procedures. If the occupant of a mobile home does not comply with a court's order of repossession within five days of its issuance, the sheriff of the county in which the mobile home is located or his deputy shall remove the occupant and his possessions from the mobile home chapter 565.

Sec. 13. Minnesota Statutes 1980, Section 327.66, is amended to read:

## 327.66 [CURE OF DEFAULT.]

A debtor, or an occupant of a mobile manufactured home acting on behalf of a debtor, may within the 30 day period specified in the notices required by section 327.64, cure a default by tendering full payment of the sums then in arrears under the terms of the security agreement, or by otherwise remedying the default, and by paying the reasonable costs, not to exceed the sum of \$15, incurred by the secured party to enforce the security agreement. Cure of a default in accordance with the provisions of this section shall suspend the secured party's right to seek repossession of the mobile manufactured home under the provisions of sections 327.61 to 327.67. If default arises under the security agreement because of damage to or other waste of the collateral committed or allowed by the debtor, a court may order repossession of the mobile

home notwithstanding cure of the default.

Sec. 14. [EFFECTIVE DATE.]

*Sections 1 to 4 and 6 to 13 are effective August 1, 1982. Section 5 is effective January 1, 1983.*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

H.F. No. 1580: A bill for an act relating to state lands; providing for the conveyance of certain tax forfeited lands.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete lines 7 to 11 and insert:

*"St. Louis County may sell to G. R. Fredrickson, Route 2, Pequot Lakes, Minnesota, at private sale but otherwise in the manner provided for appraisal, sale and conveyance of tax-forfeited land in Minnesota Statutes, Chapter 282, the following described real property in St. Louis County:"*

Page 1, line 15, delete "attorney general" and insert "county"

Page 1, line 16, delete "he" and insert "it"

Page 1, after line 16, insert:

"Sec. 2. [STATE LAND CONVEYANCE.]

*St. Louis County may sell to James Madzey, at private sale but otherwise in the manner provided for appraisal, sale and conveyance of tax-forfeited land in Minnesota Statutes, Chapter 282, the following described real property in St. Louis County:*

*N. 100' of the E. 187' of NE-SW, Section 24, Township 63, Range 20.*

*The county shall provide a more accurate legal description of the property if it finds it appropriate."*

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1826: A bill for an act relating to agriculture; setting a standard of proof and procedures for decision and appeal for claims of damage to livestock by endangered species; amending Minnesota Statutes 1980, Section 3.737, by adding a subdivision.

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 3.737, is amended by adding

a subdivision to read:

*Subd. 4. [COMMISSIONER'S DETERMINATION; APPEALS.] If the commissioner finds that the livestock owner has shown that the loss of his livestock was caused more probably than not by an animal classified as an endangered species, the commissioner shall pay compensation as provided in this section and in the rules of the department.*

*If the commissioner denies any compensation claimed by a livestock owner under this section, the commissioner shall issue a written decision based upon the available evidence which shall include specification of the facts upon which the decision is based and the conclusions on the material issues of the claim. A copy of the decision shall be transmitted to the livestock owner by first class mail.*

*A decision denying compensation claimed under this section is not subject to the contested case review procedures of chapter 15 but may be reviewed upon a trial de novo in the county court in the county where the loss occurred. The decision of the county court may be appealed to the district court and supreme court in the same manner as any civil action is appealed. Review in the county court may be obtained by the filing of a petition for review with the clerk of the county court within 60 days following receipt of a decision under this section. Upon the filing of a petition, the clerk of the county court shall mail a copy thereof to the commissioner and set a time for hearing which shall be held within 90 days of the filing of the petition.*

Sec. 2. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

H.F. No. 1231: A bill for an act relating to state lands; directing conveyance of certain lands in Washington County.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1900: A bill for an act relating to waters; making the water well contractors and exploratory borers advisory council permanent; amending Minnesota Statutes 1980, Section 156A.06, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 2090: A bill for an act relating to state lands; authorizing sale and conveyance of a certain tract in order to correct a survey error.

Reports the same back with the recommendation that the bill do pass. Report



adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1269: A bill for an act relating to agriculture; consolidating existing laws; providing for agricultural commodity research and promotion councils; establishing procedures; providing penalties; amending Minnesota Statutes 1980, Sections 17.53; 17.54; 17.56; 17.57; 17.58; 17.59; 17.60; 17.62; 17.63; 17.64; and 17.67; repealing Minnesota Statutes 1980, Sections 17.55; 17.601; 17.65; 17.68; 21A.01 to 21A.19; 29.14 to 29.19; 30.461 to 30.479; and 32B.01 to 32B.13.

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 17.53, is amended to read:

17.53 [DEFINITIONS.]

Subdivision 1. [SCOPE OF APPLICATION.] As used in sections 17.51 to 17.69, the terms defined in this section shall have the following meanings:

Subd. 2. [AGRICULTURAL COMMODITY.] "Agricultural commodity" means any agricultural product, including without limitation animals and animal products, grown, raised, produced or fed within the state of Minnesota for use as food, feed, seed or any industrial or chemurgic purpose.

Subd. 3. [COMMERCIAL CHANNELS.] "Commercial channels" means the processes of sale of any agricultural commodity to any commercial buyer, dealer, processor, cooperative or to any person, public or private, who resells such commodity or any product produced from such commodity for slaughter, storage, processing or distribution.

Subd. 4. [COMMISSIONER.] "~~Person~~" means any individual, corporation, association, cooperative or partnership. "Commissioner" means the commissioner of agriculture or his designee.

Subd. 5. [COOPERATIVE.] "*Cooperative*" means a nonprofit association legally constituted under the laws of Minnesota or of another state of producers who have gathered together for purposes of bargaining for a price for marketing their commodity. This includes all cooperatives domiciled inside or outside of the state which buy commodities from Minnesota producers.

Subd. 6. [COUNCIL.] "Council" means the research and promotion a council created under the provisions of sections 17.51 to 17.69 in connection with the organization of the producers of a particular commodity as herein provided.

Subd. 7. [FIRST HANDLER.] "*First handler*" means a person, whether he is an owner, agent or other person, who initially places a commodity into commercial channels, or who is engaged in the processing of the commodity into food for human consumption in any form, except for potato flour or potato starch.

Subd. 8. [FIRST PURCHASER.] "First purchaser" means any person that buys agricultural commodities for movement into commercial channels

from the producer; or any lienholder, secured party or pledgee, public or private, or assignee of said lienholder, secured party or pledgee, who gains title to the agricultural commodity from the producer as the result of exercising any legal rights by the lienholder, secured party, pledgee, or assignee thereof, regardless of when the lien, security interest or pledge was created *and regardless of whether the first purchaser is domiciled within the state or without. First purchaser does not mean the commodity credit corporation when a commodity is used as collateral for a federal non-recourse loan unless the commissioner determines otherwise.*

**Subd. 7. "Commissioner"** means the commissioner of agriculture of the state of Minnesota.

**Subd. 9. [MARKETING YEAR.]** "Marketing year" means a one year period from July 1 through June 30, or any other one year period determined by the promotion order of a specific council.

**Subd. 10. [PARTICIPATING PRODUCER.]** "Participating producer" means a producer of an agricultural commodity for which a promotional order has been issued and exists, who produces that commodity in the organized area and meets the minimal requirements established by the council to qualify as a producer.

**Subd. 11. [PERSON.]** "Person" means an individual, corporation, association, cooperative or partnership.

**Subd. 12. [PRIVATE PROCESSOR.]** "Private processor" means a privately owned commodity processor legally constituted under the laws of Minnesota for the purpose of buying or marketing the commodity and commodity products, whether the processor is domiciled within the state or without.

**Subd. 13. [PRODUCER.]** "Producer" means any person who owns or operates an agricultural producing or growing facility for ~~the~~ an agricultural commodity ~~under consideration for referendum~~ and shares in the profits and risk of loss from such ~~facility operation~~, and who grows, raises, feeds or produces ~~said~~ the agricultural commodity in Minnesota during the current or preceding marketing year.

**Subd. 9. "Qualified voter"** means any producer defined above who would be subject to the payment of fees to finance the activities described in sections 17.51 to 17.69.

**Subd. 14. [PRODUCER-PROCESSOR.]** "Producer-processor" means a producer who processes and markets his own product. For the purpose of collecting the check-off fee, a producer-processor is the first purchaser.

**Subd. 15. [PROMOTIONAL ORDER.]** "Promotional order" means an order issued by the commissioner, with the advice and consent of ~~the~~ a council *and after a referendum* pursuant to this chapter, which establishes a program for promotion, advertising, production, market research, and market development of the growing, processing, distributing, sale ~~of~~ or handling of an agricultural ~~products covered by referendum~~ commodity and provides for the collection of check-off fees ~~and financing the same.~~

**Subd. 16. [QUALIFIED VOTER.]** "Qualified voter" means a producer who would be subject to the payment of fees to finance the activities described in sections 17.51 to 17.69 and who shares directly in the profits and risk of loss

*from the agricultural operation which produces or grows the commodity.*

*Subd. 17. [RETAILER.] "Retailer" means a person who sells directly to the consumer in small quantities or broken lots.*

*Subd. 18. [SALE.] "Sale" means any passing of title from the producer to the first purchaser. Sale includes any pledge, security interest or lien after harvest.*

*Subd. 12. "Participating producer" means any producer of an agricultural commodity for which a promotional order has been issued and exists, who produces that commodity in the organized area and meets the minimal requirements established by the council to qualify as a producer.*

Sec. 2. Minnesota Statutes 1980, Section 17.54, is amended to read:

17.54 [COUNCILS; MEMBERSHIP; ELECTION; TERM.]

Subdivision 1. [CREATION.] A commodity research and promotion council is hereby may be created for the producers of each agricultural commodity who file by filing with the commissioner a petition requesting that the producers of such commodity be subjected to the provisions of sections 17.51 to 17.69, which. The petition is must be signed by 500 1,000 producers or 15 percent of the producers proposed to be covered by the promotion order, whichever is less, of the producers of such commodity. Such petition shall be certified by At least two producers. to have shall certify under oath that the petition has been signed only by producers of the commodity involved.

Subd. 2. [MEMBERSHIP.] Upon petition of the required number of producers the commissioner shall, after consultation with the various producer or commodity organizations of the particular commodity petitioning for a referendum, determine the size of the council and distribution of the council membership. The council may designate industry and university of Minnesota personnel, either by name or by office, to serve as consultants to the council.

Subd. 3. [ELECTION NOMINATING COMMITTEE.] Within 30 days after the filing of the petition by the required number of the producers of an agricultural commodity the commissioner shall appoint a nominating committee of at least five producers of that commodity who shall, within 60 days from the filing of such the petition, nominate at least two producer candidates for each council position and certify the names of such nominees to the commissioner. Nominees shall be selected with a view to establishing a fair representation of all producers of the particular commodity throughout the area to be organized, which shall comprise the entire state unless the commissioner determines that at least 95 percent of the production of the subject commodity is in a lesser area, in which event he shall define such the area following county lines. Whenever possible, the areas represented by council members shall correspond to state crop reporting districts as defined by the Minnesota crop and livestock reporting service.

Subd. 4. [ELECTION.] Upon receipt of the nominations the commissioner shall promptly arrange an election to be held at places designated by him reasonably convenient to all producers in the organized area and give at least seven days' provide notice of such the election in legal newspapers to all of the media having a general circulation in the organized area. Ballots setting forth the names of the nominated candidates and providing for write in write-in

candidates shall be made available at all polling places. Only producers of the agricultural commodity involved shall be qualified to vote; and . General polling procedures shall be established by the commissioner by rule pursuant to chapter 15 to avoid voting by others other than qualified producers, but the selection of specific polling places shall not be subject to chapter 15. An impartial committee appointed by the commissioner shall tabulate the votes, and the candidates receiving the most votes shall be declared elected to the first council. In each calendar year following the one in which

After the first council for a commodity is elected candidates shall be selected and , an election shall be held annually to elect a successor or successors to members of the council member or members whose term or terms expire in that year. Nominations shall be made and the elections The election shall be held in the same manner as prescribed for the first council election except that the choice of manner of choosing nominating committee members, the time of nominations and the time and place of elections shall be fixed by the commissioner with the consent of the council. Mail balloting may be permitted by the commissioner.

Subd. 4 5. [TERMS.] At the first meeting of the first council for each commodity the commissioner shall determine by lot one-third of the council members whose terms shall expire June 30 in the calendar year following the year of the first election, one-third of the council members whose terms shall expire June 30 in the second calendar year and the remaining council members whose terms shall expire June 30 in the third calendar year. In the event the commissioner has designated specific areas for representation on the council, the terms of council members in any one area shall not expire in the same year. All elected successor council members elected in succeeding elections shall be elected for serve three year terms and each shall serve until his successor is their successors are elected and qualified. All terms shall expire on June 30 of the last year of the term unless another date is established by the commissioner for specific councils. In the event a council member ceases to have any of the qualifications herein established, his office shall be deemed vacant. Any An interim vacancy on the council shall be filled by the council for the remainder of the term vacated. The successor so appointed shall be a commodity producer residing in the same crop reporting district as the former member.

Subd. 5 6. [ORGANIZATION.] The commissioner shall serve as chairman a member of the each council without vote. The Each council shall elect from its own membership elect a chairman, a vice-chairman, who shall act in the absence of the commissioner, a secretary, and such other officers as the council may deem deems appropriate. The An executive committee of no more than five members including the officers may also be elected. Terms of such the officers shall expire on June 30 of each year and their successors shall be elected at the first meeting following that date; however, they may serve until their successors have been elected but not beyond July 15.

Subd. 7. [MEETINGS; QUORUM.] Subject to the requirements of sections 17.51 to 17.69, a council shall meet at times and places as it may determine or upon call of the chairman or of any three members or one-third of the council, whichever is greater. A majority of the voting members of a council shall constitute a quorum for the transaction of all business in carrying out the duties of the council.

Subd. 8. [EXISTING COUNCILS.] Any council established pursuant to

any act on or before the effective date of sections 1 to 11 may maintain the number and regional distribution of council members in effect at that time and council members elected under the provisions of any act in effect prior to the effective date of sections 1 to 11 may serve out their terms according to those provisions. Any promotional order in effect prior to the effective date of sections 1 to 11 shall remain in effect until the promotional order would terminate under the terms of the promotional order itself, or under the provisions of the legislation authorizing that promotional order, or until the promotional order is terminated pursuant to section 17.64, whichever occurs first. No referendum need be held by the commissioner to establish any promotion order in effect prior to the effective date of sections 1 to 11. No referendum need be held by the commissioner to bring any promotion order into early compliance with sections 1 to 11 when the proposed changes in the promotion order are requested by the council members and approved by the commissioner.

**Subd. 9. [POTATO INDUSTRY PROMOTION.]** For the purpose of the administration of sections 17.51 to 17.69 as they pertain to a Minnesota area potato research and promotion council established pursuant to Laws 1967, Chapter 417, as amended, the state is divided into four areas. Area number one includes the counties of Kittson, Marshall, Polk, Pennington, Red Lake, Norman, Mahnomen, Clay, Wilkin, Roseau, Lake of the Woods, Beltrami, Clearwater, Hubbard, Becker, Ottertail and Wadena. Area number two includes the counties of Itasca, Koochiching, St. Louis, Carlton, Lake, and Cook. Area number three includes the counties of Traverse, Grant, Douglas, Big Stone, Stevens, Pope, Swift, Kandiyohi, Lac qui Parle, Chippewa, Yellow Medicine, Renville, McLeod, Carver, Scott, Dakota, Lincoln, Lyon, Redwood, Sibley, Le Sueur, Rice, Goodhue, Nicollet, Wabasha, Pipestone, Murray, Brown, Waseca, Steele, Dodge, Olmsted, Winona, Cottonwood, Watonwan, Blue Earth, Rock, Nobles, Jackson, Martin, Faribault, Freeborn, Mower, Fillmore, and Houston. Area number four includes the counties of Cass, Aitkin, Crow Wing, Pine, Todd, Morrison, Mille Lacs, Kanabec, Stearns, Benton, Isanti, Chisago, Sherburne, Anoka, Meeker, Wright, Washington, Hennepin, and Ramsey. Sections 17.51 to 17.69 shall apply to any of the above areas of the state where the commissioner has determined that the area was organized prior to July 1, 1982, pursuant to section 30.464, subdivision 3, as amended through June 30, 1982.

**Subd. 10. [EXISTING AREA POTATO COUNCILS.]** For the purposes of sections 17.51 to 17.69, any area potato council established pursuant to section 30.465, prior to the effective date of sections 1 to 11 shall maintain the number and distribution of council members in effect at that time. Council members elected or appointed under the provisions of section 30.465 may serve out their terms. For the purposes of sections 17.51 to 17.69, the provisions of sections 30.462, 30.463, 30.467, 30.469 and 30.472 as amended through June 30, 1982, shall be considered to be the promotional order for an area potato council, and shall remain in effect as a promotional order until terminated or modified by referendum.

**Subd. 11. [MEMBERSHIP AND TERMS; AREA POTATO COUNCILS.]** Notwithstanding subdivisions 3, 4, and 5, any area potato council which continues in existence pursuant to subdivision 10 shall include one voting member who is a private processor of potatoes and one voting member who represents potato wash plants. These two members shall be appointed by the

*governor for four-year terms coterminous with that of the governor.*

*Subd. 12. [DAIRY INDUSTRY PROMOTION.] For the purpose of the administration of sections 17.51 to 17.69 as they pertain to the dairy research and promotion council established pursuant to Laws 1969, Chapter 851, as amended, the vote in the name of a cooperative association of producers may be deemed the vote of all members of that cooperative association. The commissioner shall schedule and specify procedures for bloc voting by a cooperative. A ballot prepared by the council and the commissioner shall be sent by each cooperative to all member and nonmember producers with a return envelope addressed to the commissioner. The ballot shall indicate that the cooperative association intends to vote in favor of or in opposition to the question. In the case of members the ballot shall indicate the expiration date of the ballot and state that if the ballot is not returned by that date the ballot shall be considered to be in favor of the vote of the association. The cooperative shall return the completed bloc vote ballot to the commissioner. A cooperative association shall not be required to bloc vote its producers but in that event it shall inform each producer of its decision and provide each producer with an individual referendum ballot with a return envelope addressed to the commissioner.*

*Each private processor of dairy products and each cooperative shall file with the commissioner a list of producers who market the bulk of their production with that private processor or cooperative. The polling procedures established by the commissioner pursuant to section 17.54, subdivision 4, shall ensure that dairy producers marketing the bulk of their production with a private processor have the option to vote in any referendum held pursuant to sections 1 to 11.*

*Subd. 13. [TERMS; DAIRY COUNCIL.] Notwithstanding subdivision 5, the term of office of members of any council established for the producers of cows' milk or products derived from cows' milk shall be as provided in this subdivision. The term of office shall be two years, with the terms of half the council members expiring June 30 in odd-numbered years, and the terms of the remaining council members expiring June 30 in even-numbered years.*

Sec. 3. Minnesota Statutes 1980, Section 17.56, is amended to read:

17.56 [COUNCIL TO FORMULATE AND SUBMIT PROMOTIONAL ORDER.]

*Subdivision 1. [FORMULATION.] Within 15 days after certification by the commissioner of its election the first council for producers of a particular commodity shall meet and formulate a promotional order establishing a program for development, promotion, advertising, research, distribution and the expansion of the sale, use and consumption of the commodity it represents and establishing fees a check-off fee to be paid by producers to finance the proposed activities.*

*Subd. 2. [HEARINGS.] The commissioner, after consultation with the advice and consent of the council, shall hold a public hearing or public hearings on the proposed promotional order in an area or areas and at a time or times affording reasonable opportunities to for producers to attend. These hearings shall not be subject to the administrative procedure act of chapter 15. After such hearings and after consultation with the council, the council together with*

the commissioner shall determine ~~after such hearings~~ whether or not the promotional order shall be amended, modified or supplemented. If changes or additions of substance are made, ~~the council and the commissioner shall hold like public hearings on the amended or supplemented promotional order.~~

Subd. 3. [REFERENDUM.] Following the ~~hearing, or hearings,~~ the ~~council and~~ commissioner shall conduct a referendum on the proposed final promotional order. At least ten days' notice of the time and places of such referendum shall be published in a legal newspaper of general circulation in each county affected. ~~In addition, direct written notice thereof shall likewise be given to each county extension office in any county involved in the referendum. Such notice shall include details of the promotional order to afford all producers of the subject commodity access to complete information about the promotional order. Notice shall also be given to other media in each county affected. A complete copy of the promotional order shall be given to each county extension office in any county involved in the referendum to afford all producers of the commodity access to complete information about the promotional order and the referendum.~~

Subd. 4. [ADOPTION.] The promotional order shall become effective if approved by a majority of those voting in the referendum; and such order shall be applicable only to those producers of the subject commodity within the area of the state organized pursuant to sections 17.51 to 17.69. Upon completion of the referendum the commissioner shall make findings and issue an appropriate order based on said findings.

Subd. 5. [FAILED REFERENDUM.] *If a referendum is conducted and a proposed promotional order is not approved, the commissioner shall not conduct another referendum on any promotional order for the same commodity until one year has elapsed.*

Sec. 4. Minnesota Statutes 1980, Section 17.57, is amended to read:

17.57 [ADDITIONAL POWERS AND DUTIES OF COUNCIL.]

Subdivision 1. [ADOPTION OF REGULATIONS AND BUDGET RULES.] ~~The Each council shall (a) at its regular meetings adopt and administer rules and regulations consistent with sections 17.51 to 17.69 for the administration of the promotional order, including among other things, minimal requirements to qualify as a producer; (b) recommend amendments to the order, such amendments to be adopted only after a producer referendum in which a majority of the producers favor such adoption; (c) prepare an annual estimated budget for the operation of the promotional order; and (d) prepare an annual report on the programs of the order, said report to be made available to the producers concerned. These rules are not subject to the administrative procedure act of chapter 15.~~

Subd. 2. [BUDGET.] *Each council shall prepare and submit to the commissioner on a date he determines an estimated budget for the operation of the promotional order.*

Subd. 3. [REPORT.] *Each council shall prepare an annual report on the programs pursuant to its promotional order for the previous operating year. The report shall be mailed to each county extension office in any county involved in the promotional order.*

Subd. 24. [COLLECTION OF ASSESSMENTS CHECK-OFF FEES AND

DATA.] ~~The council promotion order shall provide a procedure for the collection of the producer assessments check-off fee by each council to finance the promotional order orders and for the collection of such necessary information and data as is which are necessary for the proper administration of the order orders.~~

~~Subd. 3. [REFUNDS OF FEES.] The council shall provide for the refund of any fees paid by the producer who objects to payment of fees.~~

Subd. 4 5. [DONATIONS.] ~~The Each~~ Each council is authorized to accept donations of funds, property, services or other assistance from public or private sources for the purpose of furthering the objectives of sections 17.51 to 17.69.

Subd. 5 6. [RIGHT TO SUE AND BE SUED.] ~~The Each~~ Each council shall have the right to investigate and prosecute in the name of the state of Minnesota any action or suit to enforce the collection or insure payment of the check-off fees authorized by the provisions of sections 17.51 to 17.69 and, to sue and be sued in the name of the council; ~~to hire attorneys as necessary and to do all other things necessary to the administration and implementation of sections 17.51 to 17.69.~~

Subd. 6 7. [COLLECTION AND EXPENDITURE OF FUNDS; AUDIT FINANCIAL STATEMENT.] ~~The council shall be responsible for the collection and expenditure of all funds provided for under sections 17.51 to 17.69 and shall provide for an annual audit of funds to be made by a certified auditing firm. Each council shall make available an annual financial statement shall be available of the council to any producer upon request.~~

Sec. 5. Minnesota Statutes 1980, Section 17.58, is amended to read:

17.58 [POWERS AND DUTIES OF COMMISSIONER.]

Subdivision 1. [CONTRACTS.] ~~The commissioner, with the advice and consent of the A~~ council, ~~with the approval of the commissioner~~, may contract and cooperate with any person, firm, corporation or association, or with any local, state, federal or international agency or institution, for market development, education, publicity, promotion, research, transportation and advertising within the purposes of sections 17.51 to 17.69.

Subd. 2. [PERSONNEL.] ~~The commissioner council, with the advice and consent of the with the approval of the commissioner council, may~~ shall appoint, employ, provide necessary bond, discharge, fix compensation for and prescribe the duties of ~~such the first chief administrative officer of any council established after the effective date of sections 1 to 11. The council, after consultation with the commissioner, shall appoint, employ, provide necessary bond, discharge, fix compensation for and provide duties of subsequent chief administrative officers administrative, clerical, technical and . A council may employ other personnel and agencies as may be deemed as it deems necessary.~~

Subd. 3. [GENERAL POWERS.] In administering sections 17.51 to 17.69, the commissioner shall have such other powers as may be conferred upon him by law not inconsistent with the provisions of sections 17.51 to 17.69. ~~The commissioner is authorized to cooperate with any appropriate agency of any state for the purpose of carrying out the provisions of sections 17.51 to 17.69, and in securing uniformity of administration and enforcement.~~

Subd. 4. [REGULATIONS RULES.] ~~In~~ The organization, ~~conduct of elec-~~



tions, referenda, and meetings of a council and ~~operation~~ the administration of a promotional order for any commodity ~~coming under sections 17.51 to 17.69,~~ the commissioner shall follow ~~the~~ be governed by rules and regulations as developed promulgated by the ~~council~~ commissioner pursuant to the provisions of sections 17.51 to 17.69 chapter 15.

Subd. 5. [AUDITS.] Each year the commissioner shall conduct a fiscal audit, and at least every three years the commissioner shall conduct a compliance audit of each council. A compliance audit is an audit to determine that a council has complied with the terms of sections 17.51 to 17.69, with all other applicable federal or state laws, and with the terms of any promotional orders established.

Sec. 6. Minnesota Statutes 1980, Section 17.59, Subdivision 1, is amended to read:

Subdivision 1. [ASSESSMENT CHECK-OFF FEES.] For the purpose of providing funds to defray the necessary expenses incurred by the commissioner and the council in formulating, submitting to referendum, issuing, administering and enforcing a promotional order, the promotional order shall provide for assessing and collecting check-off fees in amounts sufficient to defray such expenses, and shall indicate the maximum assessment check-off rate which shall not exceed one percent of the market value of the year's production of participating producers. Any increase in the maximum assessment check-off provided for in the promotional order must be within the limit herein prescribed and must be approved by the majority of voting participating producers in a referendum held for that purpose after reasonable notice of such proposed increase.

Sec. 7. Minnesota Statutes 1980, Section 17.59, Subdivision 2, is amended to read:

Subd. 2. [PAYMENT.] The ~~council together with the~~ commissioner shall establish the procedure for the timely payment of the assessment check-off fee by the producer, and such to the council. The procedure shall be clearly outlined in the proposed promotional order. ~~Such~~ The procedure must be fair, reasonable and whenever possible the check-off fee shall be deducted by the first purchaser at the time of sale. The first purchaser shall submit to the council through the commissioner's office any check-off fees so deducted once every 30 days in accordance with the commissioner's rules. ~~When proof of payment of the fee assessed can be furnished, it shall not be necessary for any subsequent buyer to deduct the fee at time of purchase.~~

Sec. 8. Minnesota Statutes 1981 Supplement, Section 17.59, Subdivision 4, is amended to read:

Subd. 4. [DEPOSIT AND USE OF CHECK-OFF FEES.] Check-off fees collected pursuant to sections 17.51 to 17.69 shall be deposited in a federally insured depository institution and shall be disbursed by the officers and employees approved by the council for the necessary expenses incurred in the administration of sections 17.51 to 17.69. Check-off fees collected shall be used exclusively for the purpose collected and not for legislative or political activities to support or oppose a political party or a candidate for nomination or election to a public office.

Sec. 9. Minnesota Statutes 1980, Section 17.60, is amended to read:

## 17.60 [COMPENSATION AND EXPENSES.]

Each member of ~~the~~ a council, except the commissioner, shall be entitled to a reasonable per diem ~~to be fixed in the promotional order, not exceeding the same rate of compensation per day as is authorized for payment to members of advisory councils and committees pursuant to section 15.059, subdivision 3, while engaged in the performance of his duties,~~ and actual expenses incurred while attending council meetings; ~~but only actual expenses incurred while engaged in other official business of the council or executive committee meetings.~~ Payments to council members for other official business of the council require approval by the council.

Sec. 10. Minnesota Statutes 1980, Section 17.62, is amended to read:

## 17.62 [RECORDS OF THE COUNCIL.]

All of the records of ~~the~~ a council, ~~except as otherwise provided in this section,~~ shall be open to the public records and shall be available for inspection by any person for any lawful purpose, provided, however, that the council shall be empowered to make reasonable rules ~~and regulations~~ concerning the inspection of the records, the time or place of such inspection, or the manner in which the information shall be made available. *Financial information pertaining to individual participating producers shall not be open to the public.*

Sec. 11. Minnesota Statutes 1980, Section 17.63, is amended to read:

## 17.63 [REFUND OF FEES.]

Any producer may, by the use of forms to be provided by the commissioner and upon presentation of such proof as the commissioner ~~and council may require~~ *requires by rule or regulation*, have the check-off fee paid pursuant to sections 17.51 to 17.69 refunded to him, *provided the check-off fee was remitted on a timely basis.* ~~Such~~ The request for refund must be received in the office of the commissioner ~~or the council~~ within ~~60 days~~ *the time specified in the promotion order* following the payment of ~~such~~ the check-off fee; ~~but~~. In no event shall these requests for refund be accepted more often than 12 times per year ~~and must be made at least once each year~~. Refund shall be made by the commissioner ~~or and~~ council within 30 days of the request for refund provided that the check-off fee sought to be refunded has been received. Rules ~~and regulations~~ governing the refund of check-off fees for ~~the commodity involved all commodities~~ shall be formulated by the council ~~together with the commissioner and~~, shall be fully outlined ~~at the hearing, or hearings in the promotion order,~~ and shall be available for the information of all producers concerned with the referendum.

Sec. 12. Minnesota Statutes 1980, Section 17.64, is amended to read:

## 17.64 [TERMINATION OF THE ORDER.]

Subdivision 1. [BY COUNCIL.] The council *after consultation with the commissioner and by a majority vote* shall suspend or terminate a promotional order whenever it finds, after a public hearing ~~or hearings,~~ that an order is contrary to or does not ~~tend to~~ effectuate the purposes or provisions of sections 17.51 to 17.69, provided that ~~such~~ the suspension or termination shall not become effective until the expiration of the current marketing year. ~~The current marketing year for any commodity under sections 17.51 to 17.69 shall be determined by the council together with the commissioner.~~

Subd. 2. [BY REFERENDUM.] Upon petition of the same number of producers as required to initiate the promotional order, the commissioner ~~with the advice and consent of the council~~ shall within 60 days conduct a referendum to determine whether or not the promotional order shall be continued. He shall terminate the order at the end of the current marketing year if a majority of the producers voting in the referendum vote in favor of termination. ~~Such~~ The petition of producers shall include a ~~certification~~ statement certifying that the signatures are those of qualified producers of the commodity involved. ~~The commissioner shall not conduct a referendum for termination of a promotional order if a referendum for termination of the same promotional order has been conducted within the preceding year. A hearing for a termination of an order need not be held as provided in chapter 15.~~

Sec. 13. Minnesota Statutes 1980, Section 17.67, is amended to read:

17.67 [PENALTY FOR VIOLATIONS.]

Any person who violates any provision of sections 17.51 to 17.69 or any rule ~~or regulation~~ of the ~~council~~ commissioner promulgated pursuant to sections 17.51 to 17.69 is guilty of a misdemeanor. *Any first handler who fails to make collections or to file a return or to pay any assessment within the time required by sections 17.51 to 17.69, or who files a falsified return, shall be liable to the council for the amount due, plus a penalty of six percent of the amount due, plus one percent of the amount for each month of delay. If satisfied that the delay was excusable, the council may return all or any part of the penalty. Penalties shall be paid to the council and disposed of as provided with respect to other money collected under sections 17.51 to 17.69.*

Sec. 14. [REPEALER.]

*Minnesota Statutes 1980, Sections 17.55; 17.601; 17.65; 17.68; 21A.01; 21A.02; 21A.03; 21A.04; 21A.05; 21A.06; 21A.07; 21A.08; 21A.09 as amended by Laws 1981, Chapter 41, Section 4; 21A.10; 21A.11; 21A.115; 21A.12; 21A.13; 21A.14; 21A.15; 21A.16; 21A.17; 21A.19; 29.14; 29.15; 29.16; 29.18; 29.19; 30.461; 30.462; 30.463; 30.464, as amended by Laws 1981, Chapter 11, Section 1; 30.465; 30.466; 30.467; 30.468; 30.472; 30.473; 30.474; 30.475; 30.476; 30.477; 30.479; 32B.01; 32B.02; 32B.03; 32B.04; 32B.05; 32B.06; 32B.08; 32B.09; 32B.10; 32B.11; 32B.13; Minnesota Statutes 1981 Supplement, Sections 29.17; 30.469; 30.47; 32B.07; and 32B.12, are repealed.*

Sec. 15. [EFFECTIVE DATE.]

*This act is effective July 1, 1982."*

Delete the title and insert:

"A bill for an act relating to agriculture; consolidating existing laws; providing for agricultural commodity research and promotion councils; establishing procedures; providing penalties; amending Minnesota Statutes 1980, Sections 17.53; 17.54; 17.56; 17.57; 17.58; 17.59, Subdivisions 1, and 2; 17.60; 17.62; 17.63; 17.64; and 17.67; Minnesota Statutes 1981 Supplement, Section 17.59, Subdivision 4; repealing Minnesota Statutes 1980, Sections 17.55; 17.601; 17.65; 17.68; 21A.01 to 21A.19, as amended; 29.14 to 29.16; 29.18; 29.19; 30.461 to 30.468, as amended; 30.472 to 30.479; 32B.01 to 32B.06; 32B.08 to 32B.11; 32B.13; Minnesota Statutes 1981 Supplement, Sections

29.17; 30.469; 30.47; 32B.07; and 32B.12.”

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 under Rule 35, together with the committee report thereon,

S.F. No. 1633: A bill for an act relating to transportation; directing the commissioner of transportation to construct a freeway along a certain route in the city of St. Paul; requiring the posting of bond in certain proceedings; amending Minnesota Statutes 1980, Section 161.1245, Subdivision 1; repealing Minnesota Statutes 1980, Section 161.1245, Subdivision 2.

Reports the same back with the recommendation that the report from the Committee on Transportation, shown in the Journal for March 4, 1982, be adopted; that committee recommendation being

“the bill be amended and when so amended the bill do pass and be referred to the Committee on Finance”. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which were referred

H.F. Nos. 1906, 1701, 1625 and 1235 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.
1701	1629			1906	1801
1625	1548			1235	1130

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 was referred

H.F. No. 1794 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.
				1794	1775

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1794 be amended as follows:

Page 1, line 9, delete “[145.88]” and insert “[145.881]”

Page 2, line 13, before the headnote insert “[145.882]”

Page 2, line 16, delete “*who will*”

Page 2, delete lines 16 to 23 and insert "*Ten members shall be health service professionals with expertise in maternal and child health services, equally representative of the public and private sectors. Five members shall be persons currently serving on a local board of health or advisory committee as defined in section 145.913 or consumer representatives interested in the health of mothers and children.*"

Page 3, line 21, after "1983" insert a comma

Page 3, line 23, before the headnote insert "[145.883]"

Page 3, line 32, after the period insert "*Members of the maternal and child health advisory task force shall be appointed by July 1, 1982, and the task force shall make its recommendations required by section 2, subdivision 2, by February 15, 1983.*"

And when so amended H.F. No. 1794 will be identical to S.F. No. 1775, and further recommends that H.F. No. 1794 be given its second reading and substituted for S.F. No. 1775, 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. 1707 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.
				1707	1662

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1707 be amended as follows:

Page 2, line 23, after "crossing" insert a comma

Page 2, line 24, after "equipment" insert "*set forth in this section*"

Page 2, line 36, after "*installed*" insert a comma

Amend the title as follows:

Page 1, line 4, delete everything after "removing"

Page 1, line 5, after "certain" insert "geographical operating limitations on passenger motor"

Page 1, line 5, after the semicolon insert "removing the requirement for designated routes for intercity buses;"

Page 1, line 6, delete "providing for" and insert "modifying certain"

And when so amended H.F. No. 1707 will be identical to S.F. No. 1662, and further recommends that H.F. No. 1707 be given its second reading and substituted for S.F. No. 1662, and that the Senate File be indefinitely post-

poned.

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. 2073 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.
				2073	2055

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2073 be amended as follows:

Page 1, line 9, delete everything after the headnote

Page 1, delete line 10

Page 1, line 12, delete everything after "the"

Page 1, delete line 13

Page 1, line 14, delete "*motor vehicles and*" and insert "*original purpose for which it was intended*"

Page 2, line 3, delete "[LIMITATIONS.]" and insert "[PROHIBITION.]"

Page 2, line 5, after "*with*" delete "*the*" and delete "*contained in*" and insert "*for waste oil which may be burned under the*"

Page 2, line 6, after "*agency*" insert "*as may be*" and delete "*under*" and insert "*for the regulation of hazardous waste pursuant to*"

Amend the title as follows:

Page 1, line 3, delete "certain"

Page 1, line 4, before "garages;" insert "commercial"

And when so amended H.F. No. 2073 will be identical to S.F. No. 2055, and further recommends that H.F. No. 2073 be given its second reading and substituted for S.F. No. 2055, 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. Nos. 1993, 1795 and 1863 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.
1993	1979			1795	1718
				1863	1761

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1993 be amended as follows:

Page 1, line 21, strike "Such a" and insert "The"

Page 1, lines 22 and 23, strike "shall" and insert "must"

Page 1, line 25, strike "such"

Page 2, line 22, strike "which" and insert "that"

Amend the title as follows:

Page 1, line 2, delete "veteran's" and insert "veterans"

And when so amended H.F. No. 1993 will be identical to S.F. No. 1979, and further recommends that H.F. No. 1993 be given its second reading and substituted for S.F. No. 1979, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1795 be amended as follows:

Page 1, line 15, after the period insert: *"In addition to the limitations of sections 462C.03, subdivision 10, and 462C.05, subdivision 2, at least 30 percent of the dwelling units financed with bonds issued pursuant to chapter 462C and located in a development district within the city of Minneapolis shall be held for occupancy by persons and families of moderate income."*

And when so amended H.F. No. 1795 will be identical to S.F. No. 1718, and further recommends that H.F. No. 1795 be given its second reading and substituted for S.F. No. 1718, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1863 be amended as follows:

Page 3, line 15, delete the underscoring from "three members,"

Page 4, line 27, delete "clause (13)" and insert "paragraph (13) of this subdivision"

And when so amended H.F. No. 1863 will be identical to S.F. No. 1761, and further recommends that H.F. No. 1863 be given its second reading and substituted for S.F. No. 1761, 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. 2011 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.
2011	1963				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2011 be amended as follows:

Page 5, line 1, after "*items*" delete the comma and insert "*and*"

Page 5, line 11, delete "*section 80E.09,*"

Page 5, line 19, delete the third comma

Page 5, line 20, delete the comma

Page 5, line 23, after "*distributor*" insert a comma

Page 6, line 33, delete "*shall*" and insert "*do*"

Page 6, line 35, delete "*Any such*" and insert "*An*"

Page 6, line 36, delete "*shall be*" and insert "*is*" and delete "*and*"

Page 7, line 1, delete "*regulations*"

Page 7, line 2, delete "*was*" and insert "*is*"

Amend the title as follows:

Page 1, line 12, after "*2;*" delete "*and*"

And when so amended H.F. No. 2011 will be identical to S.F. No. 1963, and further recommends that H.F. No. 2011 be given its second reading and substituted for S.F. No. 1963, 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. 1499 for comparison with companion Senate File, reports the following House File was found not identical with 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.
				1499	1459

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1499 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1499, the third engrossment, and insert the language after the enacting clause of S.F. No. 1459, the second engrossment. Further, delete the title of H.F. No. 1499, the third engrossment, and insert the title of S.F. No. 1459, the second engrossment.



And when so amended H.F. No. 1499 will be identical to S.F. No. 1459, and further recommends that H.F. No. 1499 be given its second reading and substituted for S.F. No. 1459, 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. 1663 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.
1663	1611				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1663 be amended as follows:

Page 1, line 19, after "by" delete "the" and insert "a"

Page 2, line 5, strike "so"

Page 2, line 5, strike "either"

Page 2, line 9, strike "or such person as"

Page 2, line 9, delete "he or"

Page 2, line 10, delete "she" and strike "may select"

Page 2, line 11, strike the second "the" and insert "its"

Page 2, line 12, strike "thereof"

Page 2, line 14, strike "member of the state bar association" and insert "attorney admitted to the practice of law"

Page 2, line 15, strike "members of the state bar association who"

Page 2, line 16, strike "reside in" and after "county" insert "attorney"

Page 2, line 17, after "trustees" insert a comma

Page 2, line 21, after "trustees" insert a comma

Page 2, line 23, delete "BYLAWS" and insert "MEMBERSHIP CHANGES"

Page 2, line 29, delete "such person as he or she" and insert "his designee"

Page 2, line 30, delete "may select"

Page 2, line 31, delete "or such person as he"

Page 2, line 32, delete "or she may select" and insert "or his designee"

Page 3, line 11, strike "At its first meeting and"

Page 3, line 12, strike "annual" and "thereafter"

Page 3, line 14, after "member" insert "or"

Page 3, line 25, strike "same" and insert "them"

Page 3, line 28, delete "such" and "as are"

Page 3, line 35, strike ", the"

Page 3, line 36, strike "purchase price to be paid out of" and insert "with money from"

Page 4, line 6, after "and" delete "the" and insert "its"

Page 4, line 6, delete "thereof, except"

Page 4, line 7, delete "such books as are leased or loaned to it,"

Page 4, line 12, strike "The board of"

Page 4, lines 13 to 17, strike the old language, delete the new language and insert "The county auditor shall file with the board of trustees an annual report containing a detailed statement of the receipts and disbursements of the library for the preceding year. The board of trustees shall file an inventory with the county auditor showing the property belonging to the library or loaned or leased to the library."

Page 4, line 26, delete "shall" and insert "may"

Page 4, line 27, delete "have authority to"

Page 4, line 27, delete "such" and insert "necessary"

Page 4, line 28, delete "as may be necessary" and "to"

Page 4, line 30, after "county" insert a comma

Page 4, line 30, delete "shall have" and insert "may"

Page 4, line 31, delete "authority to"

Page 4, line 31, after the first "and" insert "necessary"

Page 4, line 32, delete "as may be necessary"

Page 4, line 33, delete "to"

Page 4, delete lines 34 to 36

Page 5, delete line 1 and insert "In all counties where services cannot be provided by the Minnesota state law library, the board of trustees may contract with regional library systems for services."

Page 5, line 5, after "Counties" insert a comma and delete "it shall be the duty of"

Page 5, line 6, delete "or her designate to" and insert "designee shall"

Page 5, line 14, delete "shall appear" and insert "appears"

Page 5, line 17, delete "or her"

Page 5, line 18, delete "It shall be the duty of"

Page 5, line 19, delete "or her designate to" and insert "designee shall"

Page 5, line 23, delete "therein"

Page 5, line 26, delete "therefor"

Page 5, line 34, delete "not" and insert "other"

Page 5, delete line 35 and insert "than Hennepin and Ramsey,"

Page 5, line 36, delete "to" and insert "shall"

Page 6, line 8, delete "shall appear" and insert "appears"

Page 6, line 11, delete "or her"

Page 6, line 12, delete "It shall be the duty of"

Page 6, line 14, delete "to" and insert "shall"

Page 6, line 18, delete "therein"

Page 6, line 20, delete "therefor"

Page 6, line 28, delete "now or hereafter"

Page 7, line 1, delete the second comma

Page 7, line 2, delete everything before the period

Page 7, lines 20 and 21, delete "or her"

Page 7, strike lines 28 and 29

Page 7, line 30, strike "established, but such" and insert "By July 1, 1982, all county law"

Page 8, line 23, delete "Section 17" and insert "This act"

And when so amended H.F. No. 1663 will be identical to S.F. No. 1611, and further recommends that H.F. No. 1663 be given its second reading and substituted for S.F. No. 1611, 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. 1492 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.
1492	1418				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1492 be amended as follows:

Page 1, line 9, delete "The lands described in this"

Page 1, delete lines 10 and 11

Page 1, line 14, delete "as described" and after "added" insert "as described in subdivision 2"

And when so amended H.F. No. 1492 will be identical to S.F. No. 1418, and further recommends that H.F. No. 1492 be given its second reading and

substituted for S.F. No. 1418, 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. 1365 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.
1365	1228				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1365 be amended as follows:

Page 2, line 13, delete " , if the city has adopted a comprehensive plan,"

Page 2, line 24, delete "small and medium sized"

Page 3, line 26, delete "\$200,000" and insert "\$100,000"

Page 4, line 3, delete "or county"

Page 4, lines 4 and 5, delete "sections 1 to 3" and insert "this act"

Page 6, line 17, delete "sections 1 to 3" and insert "this act"

Page 6, line 19, delete "Sec. 4. [459.34]" and insert " Subd. 5."

Page 6, line 20, delete "sections 1 to 3" and insert "this act"

Delete everything after page 6, line 21

Amend the title as follows:

Page 1, line 2, delete "rehabilitation" and insert "rehabilitation"

Page 1, lines 5 to 9 delete " authorizing a housing and commercial rehabilitation interest reduction program; amending Minnesota Statutes 1980, Sections 462.421, Subdivision 14; 462.445, by adding subdivisions; and 462.545, Subdivision 1;"

And when so amended H.F. No. 1365 will be identical to S.F. No. 1228, and further recommends that H.F. No. 1365 be given its second reading and substituted for S.F. No. 1228, 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. 1504, 1887, 1661, 1826, 1900, 2090 and 1269 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 942, 1668, 1580, 1231, 1906, 1701, 1625, 1235, 1794, 1707, 2073, 1993, 1795, 1863, 2011, 1499, 1663, 1492 and 1365 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Spear moved that the name of Mr. Sikorski be added as a co-author to S.F. No. 1459. The motion prevailed.

Ms. Berglin moved that the name of Mr. Sikorski be added as a co-author to S.F. No. 1561. The motion prevailed.

Mr. Willet moved that the names of Messrs. Moe, R.D. and Sikorski be added as co-authors to S.F. No. 1747. The motion prevailed.

Mr. Dahl moved that the name of Mr. Sikorski be added as a co-author to S.F. No. 1886. The motion prevailed.

Mr. Waldorf moved that the name of Mr. Sikorski be added as a co-author to S.F. No. 1894. The motion prevailed.

Mr. Hanson moved that the names of Messrs. Sikorski and Moe, R.D. be added as co-authors to S.F. No. 2064. The motion prevailed.

Mr. Moe, D.M. moved that S.F. No. 1613 be taken from the table. The motion prevailed.

S.F. No. 1613: A bill for an act relating to state departments and agencies; regulating the disposition of certain land within the capitol area; amending Minnesota Statutes 1981 Supplement, Section 15.50, Subdivision 6.

**CONCURRENCE AND REPASSAGE**

Mr. Moe, D.M. moved that the Senate concur in the amendments by the House to S.F. No. 1613 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1613 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	Langseth	Peterson, C.C.	Spear
Bang	Engler	Lantry	Peterson, D.L.	Stern
Belanger	Frank	Lessard	Peterson, R.W.	Stokowski
Benson	Frederickson	Lindgren	Petty	Stumpf
Berg	Hanson	Luther	Pillsbury	Taylor
Bernhagen	Hughes	Menning	Purfeerst	Tennessee
Bertram	Humphrey	Moe, D. M.	Ramstad	Ulland
Brataas	Johnson	Moe, R. D.	Renneke	Vega
Chmielewski	Kamrath	Nelson	Rued	Waldorf
Dahl	Knutson	Olhoft	Schmitz	Wegener
Davies	Kroening	Pehler	Setzepfandt	Willet
Davis	Kronebusch	Penny	Sikorski	

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 to take up the Senate Calendar. The motion prevailed.

### CALENDAR

S.F. No. 1588: A bill for an act relating to state and local government organization and relations; creating an advisory council on local government; prescribing its duties; proposing new law coded as Minnesota Statutes, Chapter 15B.

Was read the third time 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 20, as follows:

Those who voted in the affirmative were:

Belanger	Engler	Lessard	Peterson, R. W.	Stern
Bernhagen	Frederickson	Menning	Purfeerst	Stumpf
Bertram	Hanson	Moe, D. M.	Ramstad	Tennessee
Brataas	Hughes	Moe, R. D.	Renneke	Vega
Chmielewski	Humphrey	Olhoft	Rued	Wegener
Dahl	Johnson	Pehler	Schmitz	Willet
Davies	Knutson	Penny	Setzepfandt	
Davis	Lantry	Peterson, C. C.	Sikorski	

Those who voted in the negative were:

Ashbach	Dicklich	Kronebusch	Peterson, D. L.	Stokowski
Bang	Frank	Langseth	Petty	Taylor
Benson	Kamrath	Lindgren	Pillsbury	Ulland
Berg	Kroening	Luther	Spear	Waldorf

So the bill passed and its title was agreed to.

H.F. No. 1795: A bill for an act relating to the city of Minneapolis; changing limitations on housing programs in two Minneapolis development districts; amending Laws 1971, Chapter 677.

Mrs. Stokowski moved that H.F. No. 1795, No. 3 on the Calendar, be stricken and placed on the top of General Orders. The motion prevailed.

S.F. No. 1949: A bill for an act relating to state departments and agencies; secretary of state; eliminating and simplifying certain filings; amending Minnesota Statutes 1980, Sections 300.06; 300.14, Subdivision 2; 300.45; 301.42, Subdivision 4; 303.14, Subdivision 3, as amended; 333.001, Subdivisions 2 and 3; Minnesota Statutes 1981 Supplement, Sections 301.071, Subdivision 2; 303.05, Subdivision 1; and 322A.16; repealing Minnesota Statutes 1980, Sections 300.07; 301.06, Subdivision 3; 301.07; 301.071, Subdivision 1; and 301.33, Subdivision 3.

With the unanimous consent of the Senate, Mr. Petty moved to amend S. F. No. 1949 as follows:

Page 3, lines 4, 5, and 6, reinstate the stricken language

The motion prevailed. So the amendment was adopted.

S.F. No. 1949 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 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, D.L.	Spear
Bang	Engler	Lantry	Peterson, R.W.	Stern
Belanger	Frank	Lessard	Petty	Stokowski
Benson	Frederickson	Lindgren	Pillsbury	Stumpf
Berg	Hanson	Luther	Purfeerst	Taylor
Bernhagen	Hughes	Menning	Ramstad	Tennessee
Bertram	Humphrey	Moe, D. M.	Renneke	Ulland
Brataas	Johnson	Moe, R. D.	Rued	Vega
Chmielewski	Kamrath	Olhoft	Schmitz	Waldorf
Dahl	Knutson	Pehler	Setzepfandt	Wegener
Davies	Kroening	Penny	Sikorski	Willet
Davis	Kronebusch	Peterson, C.C.	Solon	

So the bill, as amended, passed and its title was agreed to.

S.F. No. 1865: A bill for an act relating to cable communications; changing the definition of cable communications system; reducing the number of days available to the metropolitan council for review of cable service territory proposals; conforming the certificate of confirmation term to the franchise term; authorizing rules preventing obstruction of service to multiple unit dwellings and tracts of multiple dwelling units; providing to municipalities the option concerning cable service rates information included in a franchise; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.05, Subdivision 7, and by adding a subdivision; 238.09, Subdivisions 6 and 7, and by adding a subdivision; 238.12, by adding a subdivision; repealing Minnesota Statutes 1980, Section 238.12, 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 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, D.L.	Spear
Bang	Engler	Lantry	Peterson, R.W.	Stern
Belanger	Frank	Lessard	Petty	Stokowski
Benson	Frederickson	Lindgren	Pillsbury	Stumpf
Berg	Hanson	Luther	Purfeerst	Taylor
Bernhagen	Hughes	Menning	Ramstad	Tennessee
Bertram	Humphrey	Moe, D. M.	Renneke	Ulland
Brataas	Johnson	Moe, R. D.	Rued	Vega
Chmielewski	Kamrath	Olhoft	Schmitz	Waldorf
Dahl	Knutson	Pehler	Setzepfandt	Wegener
Davies	Kroening	Penny	Sikorski	Willet
Davis	Kronebusch	Peterson, C.C.	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 and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

### CONSENT CALENDAR

S.F. No. 1487: A bill for an act relating to taxation; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982 without penalty.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, D. L.	Spear
Bang	Engler	Lantry	Peterson, R. W.	Stern
Belanger	Frank	Lessard	Petty	Stokowski
Benson	Frederickson	Lindgren	Pillsbury	Stumpf
Berg	Hanson	Luther	Purfeerst	Taylor
Bernhagen	Hughes	Menning	Ramstad	Tennessee
Bertram	Humphrey	Moe, D. M.	Renneke	Ulland
Brataas	Johnson	Moe, R. D.	Rued	Vega
Chmielewski	Kamrath	Olhoft	Schmitz	Waldorf
Dahl	Knutson	Pehler	Setzepfandt	Wegener
Davies	Kroening	Penny	Sikorski	Willet
Davis	Kronebusch	Peterson, C. C.	Solon	

So the bill passed and its title was agreed to.

H.F. No. 1602: A bill for an act relating to counties; providing for meetings of the county board of commissioners; amending Minnesota Statutes 1980, Section 375.07.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Peterson, C. C.	Solon
Bang	Engler	Langseth	Peterson, D. L.	Spear
Belanger	Frank	Lantry	Peterson, R. W.	Stern
Benson	Frederickson	Lessard	Petty	Stokowski
Berg	Hanson	Lindgren	Pillsbury	Stumpf
Bernhagen	Hughes	Luther	Purfeerst	Taylor
Bertram	Humphrey	Menning	Ramstad	Tennessee
Brataas	Johnson	Moe, D. M.	Renneke	Ulland
Chmielewski	Kamrath	Moe, R. D.	Rued	Vega
Dahl	Knoll	Olhoft	Schmitz	Waldorf
Davies	Knutson	Pehler	Setzepfandt	Wegener
Davis	Kroening	Penny	Sikorski	Willet

So the bill passed and its title was agreed to.

H.F. No. 2116: A bill for an act relating to Blue Earth County; permitting county board members to serve on the county housing and redevelopment authority.

Was read the third time 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	Dieklich	Langseth	Peterson, R. W.	Stern
Bang	Engler	Lessard	Petty	Stokowski
Belanger	Frank	Lindgren	Pillsbury	Stumpf
Benson	Frederickson	Luther	Purfeerst	Taylor
Berg	Hanson	Menning	Ramstad	Tennessee
Bernhagen	Hughes	Moe, D. M.	Renneke	Ulland
Bertram	Humphrey	Moe, R. D.	Rued	Vega
Brataas	Johnson	Olhoft	Schmitz	Waldorf
Chmielewski	Kamrath	Pehler	Setzepfandt	Wegener
Dahl	Knutson	Penny	Sikorski	Willet
Davies	Kroening	Peterson, C. C.	Solon	
Davis	Kronebusch	Peterson, D. L.	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 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. Wegener; Moe, R.D. and Lessard introduced—

S.F. No. 2213: A bill for an act relating to watercraft; requiring titling for certain vessels; regulating perfection of security interests in vessels; proposing new law coded in Minnesota Statutes, Chapter 361.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Peterson, C.C.; Johnson; Frank; Langseth and Davis introduced—

S.F. No. 2214: A bill for an act relating to taxation; income; providing that the deduction for federal income taxes may be apportioned between spouses filing a joint federal return as they elect; altering the method by which certain federal income taxes are deducted; amending Minnesota Statutes 1981 Supplement, Section 290.18, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bertram introduced—

S.F. No. 2215: A bill for an act relating to drainage; authorizing property owners to repair drainage systems located on their property and to credit the value of the repairs against a repair assessment; changing requirements for drainage system repairs without contracts; amending Minnesota Statutes 1980, Section 106.471, Subdivisions 2 and 8.

Referred to the Committee on Agriculture and Natural Resources.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to General Orders. The motion prevailed.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Olhoft

in the chair.

After some time spent therein, the committee arose, and Mr. Olhoft reported that the committee had considered the following:

H.F. Nos. 1720, 1735, 1234 and 1786, which the committee recommends to pass.

H.F. No. 1795, which the committee recommends to pass, subject to the following motion:

Mrs. Stokowski moved that the amendment made to H.F. No. 1795 by the Committee on Rules and Administration in the report adopted March 6, 1982, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1804, which the committee recommends to pass with the following amendment offered by Mr. Willet:

Amend H.F. No. 1804, as amended pursuant to Rule 49, adopted by the Senate March 4, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1819.)

Page 1, delete lines 7 to 10

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

S.F. No. 1698, which the committee recommends to pass, subject to the following motions:

Mr. Dieterich moved to amend S.F. No. 1698 as follows:

Page 2, delete lines 31 to 36.

Page 3, delete line 1

Page 3, lines 2, 16, 18, 20 and 26, reinstate the stricken language and delete the new language.

Amend the title as follows:

Page 1, line 8, delete "authorizing the"

Page 1, line 9, delete "use of capital expenditure funds;"

The motion prevailed. So the amendment was adopted.

Mr. Lindgren moved to amend S.F. No. 1698 as follows:

Page 2, line 13, strike "and" and insert a comma

Page 2, line 13, after "equipment" insert "*and the purchase of textbooks*"

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	Bertram	Kamrath	Ramstad	Taylor
Benson	Davis	Knutson	Renneke	Ulland
Berg	Engler	Lindgren	Rued	
Bernhagen	Frederickson	Peterson, D.L.	Sieloff	

Those who voted in the negative were:

Berglin  
Dahl  
Davies  
Dicklich  
Dieterich  
Hanson  
Humphrey

Johnson  
Knoll  
Kroening  
Langseth  
Lantry  
Luther  
Menning

Moe, D. M.  
Moe, R. D.  
Olhoft  
Pehler  
Peterson, C.C.  
Peterson, R.W.  
Petty

Purfeerst  
Schmitz  
Setzepfandt  
Sikorski  
Spear  
Stern  
Stokowski

Stumpf  
Tennessen  
Vega  
Waldorf  
Wegener  
Willet

The motion did not prevail. So the amendment was not adopted.

H.F. No. 1817, which the committee recommends to pass with the following amendments offered by Messrs. Peterson, C.C.; Knutson; Penny; Pehler and Engler:

Mr. Peterson, C.C. moved to amend H.F. No. 1817, as amended pursuant to Rule 49, adopted by the Senate March 5, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1700.)

Page 1, after line 27, insert:

“Section 1. Minnesota Statutes 1980, Section 160.283, Subdivision 3, is amended to read:

Subd. 3. For the purposes of sections 160.283 to 160.285 the term “resort” shall be as defined in Minnesota Statutes 1969, Section 157.01 *or a golf course.*”

Page 15, line 30, delete “14” and insert “15”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, after the semicolon, insert “expanding the definition of “resort” for purposes of advertising device authorization:”

Page 1, line 19, after “Sections” insert “160.283, Subdivision 3;”

The motion prevailed. So the amendment was adopted.

Mr. Knutson moved to amend H.F. No. 1817, as amended pursuant to Rule 49, adopted by the Senate March 5, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1700.)

Page 7, after line 5, insert:

“Sec. 6. Minnesota Statutes 1980, Section 169.81, Subdivision 1, is amended to read:

Subdivision 1. [HEIGHT.] (a) *Except as provided in paragraph (b), no vehicle unladen or with load shall exceed a height of 13 feet six inches.*

(b) *A double-deck bus may not exceed a height of 14 feet three inches. Any carrier operating a double-deck bus exceeding 13 feet six inches shall obtain from the commissioner, with respect to highways under the commissioner's jurisdiction, and from local authorities, with respect to highways under their jurisdiction, an annual permit to operate the bus upon any highway under the jurisdiction of the party granting the permit. Annual permits shall be issued in accordance with applicable provisions of section 169.86. The fee for an annual permit issued by the commissioner is as provided in section 169.86.*

*subdivision 5.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 169.86, Subdivision 5, is amended to read:

Subd. 5: [FEES.] The commissioner, with respect to highways under his jurisdiction, may charge a fee for each permit issued. 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;

(8) *double-deck buses.*"

Page 15, line 30, delete "14" and insert "16"

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 10, after the semicolon, insert "regulating the height of vehicles; establishing a height limitation for certain buses; providing for an annual permit fee for certain over-height buses;"

Page 1, line 20, after "1;" insert "169.81, Subdivision 1;"

Page 1, line 23, after "Sections" insert "169.86, Subdivision 5;"

The motion prevailed. So the amendment was adopted.

Mr. Penny moved to amend H.F. No. 1817, as amended pursuant to Rule 49, adopted by the Senate March 5, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1700.)

Page 7, after line 15, insert:

"Sec. 7. Minnesota Statutes 1981 Supplement, Section 173.17, is amended to read:

173.17 [REMOVAL OF DEVICES, TIME FOR REMOVAL; COMPENSATION.]

It is hereby declared that where in order to carry out the provisions of this chapter it is necessary that property rights be acquired, such acquisition is for a public purpose and is necessary for a highway purpose. The commissioner of transportation is authorized to acquire by purchase, gift or condemnation all advertising devices and all property rights pertaining thereto which are prohibited under the provisions of this chapter, and any rules or regulations promulgated pursuant thereto, provided that such advertising devices were in lawful existence on June 8, 1971. In any such acquisition, purchase or condemnation, just compensation shall be paid for:

(1) The taking from the owner of such sign, display or device of all right, title, leasehold and interest in such sign, display or device; and

(2) The taking from the owner of the real property on which such advertising device is located immediately prior to its removal or relocation, the right to erect and maintain thereon advertising devices, and full compensation therefor, including severance damage and damage to the remainder of the outdoor advertising plant regardless of whether it is located on property contiguous to or a part of that on which such sign is located, shall be included in the amounts paid to the respective owners. Provided, however, that no compensation shall be paid for severance damage and damage to the remainder of the outdoor advertising plant unless federal laws, or rules and regulations promulgated by the United States Department of Transportation provide for federal participation in the cost of such severance damage and damage to the remainder of the outdoor advertising plant.

(3) Compensation required herein shall be paid to the person or persons entitled thereto. Notwithstanding any other provisions of ~~Laws 1971, Chapter 883~~ *this chapter*, no advertising device shall be required to be removed or relocated unless and until the commissioner of transportation shall tender payment to the owner of the advertising device and the owner of real property upon which the same is located, in cash or check drawn on the state treasury, of 100 percent of the amount of just compensation required herein, as determined by the commissioner of transportation; provided that the acceptance of said tendered amount by the person or persons to be compensated shall be without prejudice to his or their further rights to have just compensation finally determined in accordance with the provisions of Laws 1971, Chapter 883, and to receive any greater or additional amount under chapter 117.

(4) Notwithstanding any other provision of this chapter, including section 173.20, no advertising device which was lawfully erected *along an interstate or trunk highway* shall be removed until all rights in the property, personal or real, have been acquired by purchase, gift, or eminent domain proceedings under chapter 117, whether or not the advertising device is removed pursuant to this chapter or any other statute, ordinance, or regulation of any political subdivision of the state or local zoning authority.

The Minnesota department of transportation with the assistance and cooperation of the department of economic development shall make recommenda-

tions to the standing committees on transportation of both houses of the legislature by February 1, 1982 for a comprehensive directional signing program."

Page 15, line 30, delete "14" and insert "15"

Renumber the sections in sequence

Page 1, line 11, after the semicolon, insert "requiring just compensation to be paid for the removal of advertising devices along interstate and trunk highways;"

Page 1, line 23, after "Sections" insert "173.17;"

The motion prevailed. So the amendment was adopted.

Mr. Pehler moved to amend H.F. No. 1817, as amended pursuant to Rule 49, adopted by the Senate March 5, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1700.)

Page 15, after line 23, insert:

"Sec. 13. Laws 1979, Chapter 280, Section 2, Subdivision 2, is amended to read:

Subd. 2. \$50,000,000, or so much thereof as is needed, is available for expenditure at a rate not exceeding \$12,500,000 per fiscal year for grants to political subdivisions for construction and reconstruction of key bridges on highways, streets and roads under their jurisdiction. The grants shall not exceed the following aggregate amounts:

- (1) To counties ..... \$8,500,000
- (2) To home rule charter and statutory cities ..... \$1,000,000
- (3) To towns ..... \$21,000,000

Additional grants may be made in an aggregate amount not to exceed \$19,500,000 to the political subdivisions to match federal-aid grants for construction and reconstruction of key bridges under their jurisdiction. Appropriations made in subdivisions 1, 2, or 3 may also be used for the following purposes:

- (1) *The costs of abandoning an existing bridge that is deficient and is in need of replacement, but where no replacement will be made.*
- (2) *The costs of constructing a road or street that would facilitate the abandonment of an existing bridge determined to be deficient. The construction of the road or street must be judged to be more cost efficient than the reconstruction or replacement of the existing bridge."*

Page 15, line 30, delete "14" and insert "15"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 18, after the semicolon, insert "providing for additional uses of certain moneys appropriated for construction and reconstruction of bridges;"

Page 1, line 24, after the semicolon, insert "Laws 1979, Chapter 280, Section 2, Subdivision 2;"

The motion prevailed. So the amendment was adopted.

Mr. Engler moved to amend H.F. No. 1817, as amended pursuant to Rule 49, adopted by the Senate March 5, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1700.)

Page 14, after line 5, insert:

“Sec. 12. Minnesota Statutes 1980, Section 222.50, Subdivision 3, is amended to read:

Subd. 3. The commissioner shall have the power to:

(a) Set priorities for the allocation and expenditure of money or in kind contributions authorized under the rail service improvement program and develop criteria for eligibility and approval of projects under the program. The criteria shall include the anticipated economic and social benefits to the state and to the area being served and the economic viability of the project;

(b) Negotiate and enter into contracts for rail line rehabilitation or other rail service improvement;

(c) Disburse state and federal money for rail service improvements; and

(d) Provide funds for the state share of the operation of the Northstar service between Duluth and the Twin Cities; and

(~~d~~) (e) Adopt rules necessary to carry out the purposes of sections 222.46 to 222.54.”

Page 15, line 30, delete “14” and insert “15”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 16, after the semicolon, insert “providing additional powers to the commissioner of transportation;”

Page 1, line 21, after the second semicolon insert “222.50, Subdivision 3;”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 34 and nays 25, as follows:

Those who voted in the affirmative were:

Berglin	Frank	Luther	Purfeerst	Stokowski
Dahl	Humphrey	Menning	Rued	Stumpf
Davies	Johnson	Merriam	Setzepfandt	Ulland
Davis	Knoll	Moe, D. M.	Sikorski	Vega
Dicklich	Kroening	Moe, R. D.	Solon	Wegener
Dieterich	Lantry	Pehler	Spear	Willet
Engler	Lessard	Petty	Stern	

Those who voted in the negative were:

Ashbach	Bernhagen	Kamrath	Penny	Renneke
Bang	Bertram	Knutson	Peterson, D.L.	Sieloff
Belanger	Brataas	Kronebusch	Peterson, R.W.	Taylor
Benson	Frederick	Lindgren	Pillsbury	Tennessee
Berg	Frederickson	Olhoft	Ramstad	Waldorf

The motion prevailed. So the amendment was adopted.

Mr. Engler then moved to amend H.F. No. 1817, as amended pursuant to Rule 49, adopted by the Senate March 5, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1700.)

Page 10, line 19, after "mix" insert " , concrete ready mix, "

The motion prevailed. So the amendment was adopted.

H.F. No. 1456, which the committee recommends to pass with the following amendment offered by Mr. Sieloff:

Page 3, line 9, delete "Section 2" and insert "This act"

The motion prevailed. So the amendment was adopted.

S.F. No. 1859, which the committee recommends to pass with the following amendment offered by Mr. Willet:

Page 9, line 11, delete the semicolon and insert a period

Page 9, delete lines 12 to 14

Page 14, line 32, delete "\$1" and insert "\$50"

Page 14, delete lines 33 to 36

Page 15, delete line 1

Page 15, line 2, delete "4" and insert "3"

Page 31, line 18, delete "1982" and insert "1983"

Amend the title as follows:

Page 1, line 2, delete "research" and insert "resource"

The motion prevailed. So the amendment was adopted.

On motion of Mr. Olhoft, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Tennesen moved that H.F. No. 1867 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 1855. The motion prevailed.

Mr. Johnson moved that H.F. No. 612 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 1685. The motion prevailed.

Mr. Moe, R.D. moved that H.F. No. 1872 be taken from the table. The motion prevailed.

### 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. 1872 and that the rules of the Senate be so far suspended as to give H.F. No. 1872 its second and third reading and place it on its final passage. The motion prevailed.



H.F. No. 1872: A bill for an act relating to the financing of government in this state; extending the effective date of residential energy credits; providing the interest rate maximum on certain public indebtedness; exempting certain towns from general levy limits; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; making technical corrections and administrative changes to the income tax and property tax refund; clarifying the taxation of gravel and the distribution of revenue; validating certain tax collections by Clay County; providing for allocation of income for nonresident athletes and entertainers; providing for apportionment of income for athletic teams; permitting leases and installment purchases of equipment by local governments and providing for their tax and fiscal treatment; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; providing for the collection of taxes; altering the date on which warrants are issued to the sheriff for collection of certain delinquent mobile home property taxes; clarifying the taxation of meals and food products for sales tax purposes; imposing a tax on on-sales of liquor and fermented malt beverages; providing for the financing of certain chemical dependency programs; providing for the lease of hydropower sites by the state or local governmental units; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; providing for reassessment of homestead property damaged by a disaster; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982; providing for withholding of income tax refunds from child support debtors; providing for taxation of certain motor vehicles and combinations in the ninth and succeeding years of vehicle life; permitting the towns of Erin, Forest, Webster, and Wheatland in Rice County to impose a special levy for fire protection purposes; adopting certain federal definitions for purposes of the credit for research and experimental expenditures; providing for homestead treatment of certain condominium leased land; clarifying the homestead classification in certain cases of joint tenancy; clarifying use of additional sales ratio study information; allowing disclosure of private data to permit vendor processing of income and sales tax returns; redefining rent constituting property taxes; providing for the rate and disposition of certain taconite credits; providing for school bonds and related taxation in certain school districts; providing that landowners in unorganized townships receive a property tax credit for certain high voltage transmission lines; providing for the imposition of sales tax on certain retail sales of manufactured homes; allowing a levy limit increase for Clearwater County; granting the city of Bloomington port authority certain redevelopment financing powers; requiring county auditors to combine certain legal descriptions for property tax purposes; providing for sales of unstamped cigarettes to members of Indian tribes; imposing a fee on completion of tax forfeited land sales; revising the metropolitan agricultural preserves act; adopting certain federal income tax amendments; adopting federal income tax treatment of unemployment compensation; increasing the rate of interest allowed on certain contracts for deed qualifying for an income tax exclusion; altering the adoption of accelerated cost recovery system; exempting plant material from the sales tax; providing a freeze on property taxes paid on the first \$50,000 of market value of homesteads owned by elderly persons; imposing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 105.482, Subdivision 1, and by adding subdivisions; 168.012, by adding a subdivision; 270.06; 270.07, Subdivision 1; 270.10, Subdivision 1; 270.70, Subdivisions 1, 2, 3, and 5, and by adding subdivisions; 272.02, Subdivision 1; 273.111, Subdivisions 9, 11, and by adding a subdivision; 273.121; 273.13, Subdivision 7c; 273.42, as amended; 273.425; 274.19, Subdivision

3; 278.01; 278.05, Subdivisions 2 and 4; 282.014; 282.09, Subdivision 1; 290.01, by adding a subdivision; 290.012, Subdivision 2; 290.02; 290.03; 290.032, Subdivision 5; 290.06, Subdivisions 9 and 9a; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivision 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.16, Subdivision 15, as amended, and 16, as amended; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.36; 290.45, Subdivisions 1 and 2; 290.48, Subdivisions 3, 4, 6, and 8; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.50, by adding a subdivision; 290.53, Subdivisions 2 and 5, and by adding a subdivision; 290.54; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivisions 4a, 13, and 23; 290.93, Subdivision 9; 290.936; 290A.03, by adding a subdivision; 290A.11, by adding a subdivision; 296.01, Subdivision 8; 296.14, Subdivision 1; 296.17, Subdivision 11; 297A.33, Subdivision 2; 297A.39, Subdivisions 2 and 5; 297A.43; 297B.03; 465.71; 473H.02, Subdivision 2, 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.14; 473H.15, by adding a subdivision; 473H.16, Subdivision 3; 475.55, Subdivision 1, and by adding a subdivision; 508.25; 559.21, by adding a subdivision; 580.15; Minnesota Statutes 1981 Supplement, Sections 168.013, Subdivision 1e; 270.063; 270.66; 270.75, Subdivisions 4, as amended, and 5, as amended, and by adding a subdivision; 272.46; 273.11, Subdivision 1; 275.50, Subdivision 2; 290.01, Subdivisions 20, as amended, and 27; 290.05, Subdivisions 1 and 4; 290.06, Subdivision 14; 290.075; 290.081; 290.09, Subdivisions 4, 7, as amended, 15, and 29; 290.091, as amended; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.17, Subdivision 2; 290.18, Subdivisions 1 and 2; 290.21, Subdivision 3; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.61; 290.92, Subdivisions 2a, 5, 5a, 6 and 15; 290.93, Subdivisions 1 and 10; 290.934, Subdivision 4; 290.9725; 290.974; 290A.03, Subdivisions 3, 8, 11, and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; 296.12, Subdivision 4; 297A.01, Subdivision 3; 297A.25, Subdivision 1, as amended; 298.225; 298.24, Subdivision 3; 298.75; Laws 1980, Chapter 453, by adding a section; Laws 1981, Third Special Session Chapter 2, Article III, Section 6; proposing new law coded in Minnesota Statutes, Chapters 270, 273, 290, 295, 297, 297A, 340 and 473H; repealing Minnesota Statutes 1980, Sections 62E.03, Subdivision 2; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.48, Subdivisions 1 and 9; 290.51; 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; 290.97; 290.973; 297A.33, Subdivision 6; 297A.36; 297A.39, Subdivision 6; 297A.40, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6; 290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; 290.48, Subdivision 2; 290.971, Subdivision 7; and 298.76.

H.F. No. 1872 was read the second time.

Mr. Johnson moved to amend H.F. No. 1872 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No.

1872, and insert the language after the enacting clause, and the title, of S.F. No. 2082, the First Engrossment.

The motion prevailed. So the amendment was adopted.

Mr. Johnson then moved to amend H.F. No. 1872, as amended by the Senate March 6, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 2082.)

Page 35, after line 25, insert:

*“Sec. 3. The commissioner of revenue shall promulgate temporary and permanent rules pursuant to the provisions of chapter 15 to be used to determine whether the taxpayer or its affiliate is part of a unitary business subject to taxation pursuant to Laws 1981, Third Special Session Chapter 2, Article III, Sections 13 to 15. The rules shall include minimum percentages of intercompany transfers of property in the ordinary course of business and services required for a taxpayer or its affiliate to be found to be part of a unitary business.”*

Page 36, line 16, after the period, insert *“Sections 3 and 4 are effective the day following final enactment.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert *“requiring the commissioner of revenue to promulgate rules;”*

The motion prevailed. So the amendment was adopted.

Mr. Langseth moved to amend H.F. No. 1872, as amended by the Senate March 6, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 2082.)

Page 116, line 17, delete *“farm machinery”* and insert *“tangible personal property”*

The motion prevailed. So the amendment was adopted.

Mr. Peterson, C.C. moved to amend H.F. No. 1872, as amended by the Senate March 6, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 2082.)

Page 4, line 18, delete *“311, 312, 313, 314”* and insert *“311(g)(3), 313, 314(a)(1);”*

Page 8, line 5, delete *“and”*

Page 8, line 7, after *“1954”* insert *“; and”*

Page 8, after line 7, insert:

*“(24) The amount of contributions to an individual retirement account, simplified employee pension plan, or self-employed retirement plan which is allowed under sections 311 and 312 of Public Law Number 97-34 to the extent those contributions were not an allowable deduction prior to the enactment of that law”*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 28, as follows:

Those who voted in the affirmative were:

Berglin	Hanson	Lessard	Peterson, R. W.	Stokowski
Chmielewski	Hughes	Menning	Petty	Vega
Dahl	Johnson	Merriam	Purfeerst	Waldorf
Davies	Knoll	Moe, D. M.	Schmitz	Willet
Dicklich	Kroening	Nelson	Solon	
Dieterich	Langseth	Olhoft	Spear	
Frank	Lantry	Peterson, C. C.	Stern	

Those who voted in the negative were:

Ashbach	Bertram	Kamrath	Peterson, D. L.	Sikorski
Bang	Brataas	Knutson	Pillsbury	Taylor
Belanger	Davis	Lindgren	Ramstad	Tennesen
Benson	Engler	Luther	Rued	Ulland
Berg	Frederick	Pehler	Setzepfandt	
Bernhagen	Humphrey	Penny	Sieloff	

The motion prevailed. So the amendment was adopted.

Mr. Frederick moved to amend H.F. No. 1872, as amended by the Senate March 6, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 2082.)

Page 116, line 20, after "transported" insert " , unless that state has no use tax, in which case the sale shall be taxed at the rate generally imposed by this state"

The motion prevailed. So the amendment was adopted.

Mrs. Kronebusch moved to amend H.F. No. 1872, as amended by the Senate March 6, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 2082.)

Page 155, after line 31, insert:

**"ARTICLE XXX: WINONA, GOODVIEW LODGING TAX**

**Section 1. [WINONA, CITY OF; LODGING TAX.]**

*Subdivision 1. Notwithstanding Minnesota Statutes, Section 477A.01, Subdivision 18, or other law or ordinance, the city of Winona may by ordinance impose a tax of up to three percent on the gross receipts from the furnishing for consideration of lodging at a hotel, motel, rooming house, tourist court, or other use of space by a transient, other than the renting or leasing thereof for a continuous period of 30 days or more. Upon the petition of a number of voters resident in the city equal to ten percent of the number of votes cast for the office of governor at the last gubernatorial election, the question of whether a tax imposed pursuant to this section shall be reduced or removed shall be submitted to the people at a special election or the next general or primary election, as specified in the petition. The tax shall be reduced or removed in accordance with the result of the election. The question voted on shall be substantially in the following form:*

*"Shall the city lodging tax be reduced to ..... percent (removed)?"*

Yes .....  
No .....

Subd. 2. This section is effective the day after compliance by the governing body of the city of Winona with the provisions of Minnesota Statutes, Section 645.021, Subdivision 3.

Sec. 2. [GOODVIEW, CITY OF; LODGING TAX.]

Subdivision 1. Notwithstanding Minnesota Statutes, Section 477A.01, Subdivision 18, or other law or ordinance, the city of Goodview may by ordinance impose a tax of up to three percent on the gross receipts from the furnishing for consideration of lodging at a hotel, motel, rooming house, tourist court, or other use of space by a transient, other than the renting or leasing thereof for a continuous period of 30 days or more. Upon the petition of a number of voters resident in the city equal to ten percent of the number of votes cast for the office of governor at the last gubernatorial election, the question of whether a tax imposed pursuant to this section shall be reduced or removed shall be submitted to the people at a special election or the next general or primary election, as specified in the petition. The tax shall be reduced or removed in accordance with the result of the election. The question voted on shall be substantially in the following form:

“Shall the city lodging tax be reduced to ..... percent (removed)?  
Yes .....  
No .....

Subd. 2. This section is effective the day after compliance by the governing body of the city of Goodview with the provisions of Minnesota Statutes, Section 645.021, Subdivision 3.”

Amend the title as follows:

Page 2, line 6, after the semicolon insert “permitting the cities of Winona and Goodview to impose a tax on the gross receipts from furnishing certain lodging;”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 28, as follows:

Those who voted in the affirmative were:

- |           |             |            |                |         |
|-----------|-------------|------------|----------------|---------|
| Ashbach   | Brataas     | Knutson    | Peterson, D.L. | Sieloff |
| Bang      | Chmielewski | Kronebusch | Pillsbury      | Solon   |
| Benson    | Engler      | Lessard    | Purfeerst      | Ulland  |
| Berg      | Frederick   | Lindgren   | Ramstad        | Waldorf |
| Bernhagen | Kamrath     | Penny      | Rued           |         |

Those who voted in the negative were:

- |          |           |            |                |           |
|----------|-----------|------------|----------------|-----------|
| Berglin  | Dieterich | Kroening   | Peterson, R.W. | Stokowski |
| Bertram  | Frank     | Lantry     | Petty          | Stumpf    |
| Dahl     | Hanson    | Luther     | Schmitz        | Tennessee |
| Davies   | Hughes    | Menning    | Sikorski       | Willet    |
| Davis    | Humphrey  | Moe, D. M. | Spear          |           |
| Dicklich | Johnson   | Olhoft     | Stern          |           |

The motion did not prevail. So the amendment was not adopted.

Mr. Luther moved to amend H.F. No. 1872, as amended by the Senate.

March 6, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 2082.)

Page 155, after line 31 insert:

“ARTICLE XXX

Section 1. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 2, is amended to read:

Subd. 2. [TRADE OR BUSINESS EXPENSES; EXPENSES FOR PRODUCTION OF INCOME.] (a) In General. There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including

(1) A reasonable allowance for salaries or other compensation for personal services actually rendered;

(2) Traveling expenses (including amounts expended for meals and lodging other than amounts which are lavish or extravagant under the circumstances) while away from home in the pursuit of a trade or business; and

(3) Rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity. For purposes of the preceding sentence, the place of residence of a member of congress within the state shall be considered his home, but amounts expended by such members within each taxable year for living expenses shall not be deductible for income tax purposes in excess of \$3,000.

(b) Expenses for Production of Income. In the case of an individual, there shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year.

(1) For the production or collection of income;

(2) For the management, conservation, or maintenance of property held for the production of income; or

(3) In connection with the determination, collection, or refund of any tax.

(c) Campaign expenditures in an amount not to exceed ~~the limits set out in section 210A.22~~ *one-third of the salary of the office sought, for the year the election is held, by the candidate, but no less than \$100, not subsequently reimbursed, which have been personally paid by a candidate for public office if the candidate has complied with the expenditure limitations set out in section 210A.22, even though the candidate's expenditures are limited under other state or federal laws;*

(d) No deduction shall be allowed under this subdivision for any contribution or gift which would be allowable as a deduction under section 290.21 were it not for the percentage limitations set forth in such section;

(e) All expense money paid by the legislature to legislators;

(f) The provisions of section 280A (disallowing certain expenses in connection with the business use of the home and rental of vacation homes) of the Internal Revenue Code of 1954, as amended through December 31, 1979, shall be applicable in determining the availability of any deduction under this sub-

division.

(g) Entertainment, amusement, or recreation expenses shall be allowed under this subdivision only to the extent that they qualify as a deduction under section 274 of the Internal Revenue Code of 1954, as amended through December 31, 1979.

Sec. 2. [REPEALER.]

*Minnesota Statutes 1980, Section 210A.22, is repealed.*"

Amend the title as follows:

Page 2, line 26, after "1," insert "2,"

Page 2, line 38, delete "Section" and insert "Sections 210A.22;"

The motion prevailed. So the amendment was adopted.

Mr. Kamrath moved to amend H.F. No. 1872, as amended by the Senate March 6, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 2082.)

Page 155, after line 31, insert:

"ARTICLE XXXI: MADISON BUSINESS DEVELOPMENT LOANS

Section 1. [MADISON; PROMOTIONAL ACTIVITY.]

*Subdivision 1. The city of Madison may, by ordinance, loan not to exceed 75 percent of its public electric utilities fund, and charge interest for the loan, to the Madison Business Development Corporation of Madison, Minnesota, a civic development corporation, for the purpose of promotion of economic development in the city when private financing is unavailable through normal banking channels or as a stimulant to encourage private development. All land, buildings, structures or equipment which are acquired through the use of money loaned from the fund may be sold or leased by the Madison Business Development Corporation only to a person, firm, association or corporation, public or private, operating a commercial business or industry within the city of Madison. The sale or lease may be secured by a mortgage or other interest in the property to be paid within not more than 15 years.*

Sec. 2. [REFERENDUM.]

*Prior to making a loan authorized by subdivision 1, the city council of Madison shall adopt a resolution stating their intention to make the loan, the amount and purpose of the loan, and shall publish the resolution once each week for two consecutive weeks in the medium of official and legal publication of the city. The loan may be authorized by ordinance of the Madison city council without a referendum 21 days after the second publication of the resolution unless within that time a petition requesting a referendum signed by at least ten percent of the registered voters of the city who voted in the last general election is filed with the city clerk. If a petition is filed, the loan may not be made unless approved by a majority of the voters of the city at a regular or special election. Any provision of the Madison city charter which otherwise provides for a referendum is superseded by this section.*

Sec. 3. [REPEALER.]

*Laws 1967, Chapter 239, is repealed.*

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the city council of Madison."*

Amend the title as follows:

Page 2, line 6, after the semicolon, insert "authorizing the city of Madison to make certain loans from its public utilities fund to promote economic development in the city;"

Page 2, line 40, before the period, insert "; and Laws 1967, Chapter 239"

The motion prevailed. So the amendment was adopted.

Mr. Solon moved to amend H.F. No. 1872, as amended by the Senate March 6, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 2082.)

Page 155, after line 31, insert:

“ARTICLE XXXII

Section 1. [DULUTH; BONDS; PURCHASE OF EQUIPMENT.]

*The Duluth city council may by ordinance provide for the annual issuance of general obligation bonds in a principal amount not to exceed \$2,000,000 annually for three years to provide funds to purchase capital equipment for the city. For purposes of this law, "capital equipment" means any equipment having an estimated useful life of at least five years. The issuance of the bonds shall be subject to Minnesota Statutes, Chapter 475, except that no election shall be required except as provided in section 2, or as required by the Duluth City Charter, Section 52.*

Sec. 2. [REVERSE REFERENDUM.]

*The city council of Duluth, prior to the issuance of any bonds authorized by section 1, shall adopt a resolution stating the amount, purpose and, in general, the security to be provided for the bonds, and shall publish the resolution once each week for two consecutive weeks in the medium of official and legal publication of the city. The bonds may be issued without the submission of the question of their issuance to the voters of the city unless within 21 days after the second publication of the resolution a petition requesting a referendum signed by at least ten percent of those voting in the last general election is filed with the city clerk. If a petition is filed, no bonds shall be issued unless approved by a majority of the voters of the city voting on the question of their issuance at a regular or special election.*

Sec. 3. [LOCAL APPROVAL.]

*Sections 1 and 2 are effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of Duluth but no bonds shall be issued pursuant to this act after April 1, 1985."*

Amend the title as follows:

Page 2, line 6, after "County" insert "authorizing the sale of bonds to finance the purchase of certain equipment without an election for the city of Duluth; providing for a reverse referendum;"



The motion prevailed. So the amendment was adopted.

Mr. Lessard moved to amend H.F. No. 1872, as amended by the Senate March 6, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 2082.)

Page 155, after line 31, insert:

“ARTICLE 30

Section 1. [297A.253] [PAPER PLANT MATERIAL: EXEMPTIONS.]

*Notwithstanding the provisions of this chapter, there shall be exempt from the tax imposed therein, all materials and supplies or equipment consumed in constructing or incorporated into the construction of a new paper plant or the expansion of an existing plant the construction of which is commenced after June 30, 1982, which are purchased and used or consumed in connection with such construction, provided that in the case of the expansion of an existing plant, such construction results in an increase in productive capacity of at least 25 percent.*

Sec. 2.

*This act expires June 30, 1986.”*

Amend the title as follows:

Page 2, line 6, after “County” insert “exempting paper plant material from the sales tax; proposing new law coded in Minnesota Statutes, Chapter 297A;”

The motion did not prevail. So the amendment was not adopted.

Mr. Taylor moved to amend H.F. No. 1872, as amended by the Senate March 6, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 2082.)

Page 140, line 21, after “*Minneapolis*” insert “, *Mankato*”

Page 148, lines 16 and 19, after “*Minneapolis*” insert “, *Mankato*”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 49 and nays 10, as follows:

Those who voted in the affirmative were:

Ashbach	Dahl	Knutson	Pehler	Sikorski
Bang	Davis	Kroening	Penny	Solon
Belanger	Dicklich	Kronebusch	Petty	Spear
Benson	Engler	Langseth	Pillsbury	Stern
Berg	Frank	Lantry	Purfeerst	Stokowski
Berglin	Frederick	Lessard	Ramstad	Stumpf
Bernhagen	Hughes	Menning	Rued	Taylor
Bertram	Johnson	Moe, D. M.	Schmitz	Ulland
Brataas	Kamrath	Moe, R. D.	Setzepfandt	Vega
Chmielewski	Knoll	Nelson	Sieloff	

Those who voted in the negative were:

Davies	Luther	Peterson, C.C.	Peterson, R.W.	Waldorf
Dieterich	Olhoft	Peterson, D.L.	Tennessee	Willet

The motion prevailed. So the amendment was adopted.

H.F. No. 1872 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 6, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Peterson, R. W.	Stokowski
Bang	Engler	Lessard	Petty	Stumpf
Belanger	Frederick	Lindgren	Purfeerst	Taylor
Benson	Hanson	Luther	Ramstad	Tennessen
Berglin	Hughes	Menning	Rued	Ulland
Bernhagen	Humphrey	Moe, D. M.	Schmitz	Vega
Bertram	Johnson	Moe, R. D.	Setzepfand	Waldorf
Brataas	Knoll	Nelson	Sieloff	Willet
Chmielewski	Knutson	Pehler	Sikorski	
Dahl	Kroening	Penny	Solon	
Davis	Kronebusch	Peterson, C. C.	Spear	
Dicklich	Langseth	Peterson, D. L.	Stern	

Those who voted in the negative were:

Berg	Frank	Kamrath	Oihoft	Pillsbury
Davies				

So the bill, as amended, passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Solon moved that S.F. No. 2123, No. 87 on General Orders, be stricken and returned to the Committee on Taxes and Taxes Laws. The motion prevailed.

Mr. Knutson moved that S.F. No. 1609, No. 28 on General Orders, be stricken and returned to the Committee on Transportation. The motion prevailed.

Ms. Berglin moved that S.F. No. 1993, No. 42 on General Orders, be stricken and returned to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Moe, R.D. moved that S.F. No. 2082 be stricken from General Orders and laid on the table. The motion prevailed.

Ms. Berglin moved that S.F. No. 1931, No. 61 on General Orders, be stricken and returned to the Committee on Taxes and Tax Laws. 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 bill was read the first time.

Mr. Willet, for the Committee on Finance, introduced—

S.F. No. 2216: 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 inter-fund borrowing in anticipation of bond proceeds; providing for bond sale expenses; authorizing covenants to secure certificates of indebtedness; fixing the boundaries of state parks and routes of state trails; postponing the deadline for fencing certain open pit mines; appropriating money; amending Minnesota Statutes 1980, Sections 16A.63, Subdivision 2, as amended; 16A.64, Subdivision 4; 85.015, Subdivisions 8 and 13; 86.72, Subdivision 1; 121.21, Subdivision 4a; and 180.03, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 16A.671, Subdivision 8; proposing new law coded in Minnesota Statutes, Chapter 85.

Under the rules of the Senate, laid over one day.

#### **MEMBERS EXCUSED**

Mr. Renneke was excused from the Session of today at 1:30 p.m.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, March 8, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## EIGHTY-FOURTH DAY

St. Paul, Minnesota, Monday, March 8, 1982

The Senate met at 11:00 a.m. and was called to order by the President.

### CALL OF THE SENATE

Mr. Hanson 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. M.E. Sandness.

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	Hughes	Merriam	Ramstad	Tennessee
Brataas	Johnson	Moe, D.M.	Renneke	Ulland
Chmielewski	Kamrath	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

Messrs. Humphrey and Keefe were excused from the Session of today. Mr. Davis was excused from the Session of today from 11:45 a.m. to 12:00 noon. Mr. Langseth was excused from the Session of today from 11:45 a.m. to 5:00 p.m.

### REPORTS OF COMMITTEES

Mr. Hanson 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. 2117: A bill for an act relating to local government; providing for

the economic development of University Avenue in the cities of Minneapolis and St. Paul; creating an authority to develop and implement transit, housing, and economic development projects; authorizing bonding; providing for a tax levy, special assessments, and eminent domain; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 14, delete "15" and insert "7"

Page 4, lines 19 and 24, delete "15" and insert "7"

Page 5, line 3, after "with" insert "local community and business organizations and"

Page 5, line 6, after "plan" insert "by March 15, 1983,"

Page 5, after line 7, insert:

*"The comprehensive plan shall evaluate the costs, benefits, and feasibility of a project using a rapid transit system coordinated with accelerated investment in housing and commerce to revitalize and develop the University Avenue corridor between the cities of Minneapolis and St. Paul and the University of Minnesota. The plan shall include findings on the costs and benefits and on the technical, economic, and financial feasibility of the project. The report may include recommendations on legal, institutional, and financial methods of implementing the project. The metropolitan council and the metropolitan transit commission shall provide technical and staff assistance to the authority for developing the plan."*

Page 5, line 29, delete "15" and insert "7"

Page 6, lines 4 and 10, delete "15" and insert "7"

Pages 6 to 10, delete sections 7 and 8

Pages 10 to 13, delete sections 10 to 16

Page 13, line 16, delete "16" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "authorizing"

Page 1, delete lines 7 and 8 and insert "providing for a preliminary comprehensive plan."

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. 2033: A bill for an act relating to taxation; providing for homestead treatment of certain condominium leased land; clarifying use of additional sales ratio study information; amending Minnesota Statutes 1980, Sections 273.13, Subdivision 7c; and 278.05, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 23, delete "is" and insert "may" and after "also" insert "be"

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

H.F. No. 2066: A bill for an act relating to local government; providing for city facilities related to armories; authorizing issuance of bonds; proposing new law coded in Minnesota Statutes, Chapter 193.

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. 1515: A bill for an act relating to taxation; altering the date on which warrants are issued to the sheriff for collection of certain delinquent mobile home property taxes; amending Minnesota Statutes 1980, Section 274.19, Subdivision 3.

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. 2150: A bill for an act relating to taxation; allowing disclosure of private data to permit vendor processing of income and sales tax returns; amending Minnesota Statutes 1980, Section 297A.43; and Minnesota Statutes 1981 Supplement, Section 290.61.

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. 2081: A bill for an act relating to agriculture; establishing an apiary account in the state treasury; amending Minnesota Statutes 1980, Section 19.19, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 19.19, Subdivision 1, is amended to read:

Subdivision 1. No person shall own, possess, or operate bees without registering the bees with the commissioner. Application for 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 ~~\$7.50~~ *in the amount set by the commissioner*. Each registration certificate expires on the last day of June next following its issuance. Each registra-

tion 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. 2. Minnesota Statutes 1981 Supplement, 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 ~~47 cents~~ *as set by the commissioner* 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."

Page 1, line 12, after the period, insert "*The commissioner shall set the fees prescribed under this chapter in amounts sufficient to recover the costs of administering and enforcing this chapter.*"

Page 1, line 13, delete "*may be*" and insert "*are*"

Page 1, line 14, delete "*only*"

Page 1, after line 15, insert:

"Sec. 4. Minnesota Statutes 1981 Supplement, Section 19.20, Subdivision 4, is amended to read:

Subd. 4. [INSPECTION FEE FOR CERTIFICATION OF FALL INTER-STATE SHIPMENTS OF BEE COLONIES.] An interstate inspection fee of ~~40 cents~~ *as set by the commissioner* for each colony inspected shall be paid by the owner, possessor or operator requesting inspection service.

Sec. 5. [APPROPRIATIONS CANCELED.]

*The sums appropriated from the general fund to the commissioner of agriculture for administering Minnesota Statutes, Chapter 19, for the fiscal year ending June 30, 1983, are canceled and shall be credited to the general fund."*

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period, insert ";; Minnesota Statutes 1981 Supplement, Sections 19.19, Subdivisions 1 and 2; and 19.20, Subdivision 4"

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. 1813: A bill for an act relating to public welfare; delaying the duty of the commissioner of administration to sell certain land and buildings; amending Laws 1981, Chapter 360, Article I, Section 2, Subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 10, delete "July" and insert "January"

Page 3, line 25, after the period, insert "*Receipts from rentals of Rochester state hospital property shall be deposited in the general fund and are appropriated to the commissioner of administration for maintenance of the land and buildings of that campus.*"

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. 1650: A bill for an act relating to public welfare; establishing foster care maintenance payments by the state; requiring the commissioner of public welfare to promulgate rules which establish a state goal for the reduction of the number of children in residential facilities for more than 24 months; requiring the commissioner of public welfare to comply with the requirements of Title IV-E of the federal Social Security Act in order to obtain adoption assistance funds for eligible children; expanding the eligibility for medical assistance to include children receiving foster care maintenance payments or adoption assistance under Title IV-E of the federal Social Security Act; requiring continuation of the state subsidized adoption program; amending Minnesota Statutes 1980, Sections 256.82; 257.071, by adding a subdivision; and 259.40, Subdivisions 2, 3, and 10; Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, as amended.

Reports the same back with the recommendation that the bill be amended as follows:

Page 7, delete section 7 and insert:

"Sec. 7. [TRANSFER OF FUNDS.]

*The commissioner of public welfare is authorized to transfer funds from the dependent or neglected ward account into the subsidized adoption account when a deficit in the subsidized adoption program occurs. The amount of the transfer shall not exceed 50 percent of the dependent or neglected ward account.*"

Amend the title as follows:

Page 1, line 14, delete "requiring"

Page 1, delete line 15 and insert "authorizing the transfer of funds;"

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. 1915: A bill for an act relating to solid waste; directing a study of solid waste utilization in the St. Cloud area; appropriating funds.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, delete "its" and insert "his"

Page 1, delete line 25 and insert:

"\$25,000 of the amount appropriated by Laws 1981, Chapter 334, Section



*11, Subdivision 1, from the state building fund is cancelled and reappropriated to the commissioner"*

Page 2, line 1, delete "department"

Page 2, lines 1 and 2, delete "\$25,000, or so much thereof as may be required."

Amend the title as follows:

Page 1, line 4, delete "funds" and insert "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. 1365: A bill for an act relating to services for the mentally retarded and cerebral palsied; requiring the commissioners of education and public welfare to plan for the transfer of developmental achievement services for pre-school children; permitting reimbursement under medical assistance for developmental achievement and semi-independent living services provided to certain mentally retarded and cerebral palsied persons; transferring funds; amending Minnesota Statutes 1980, Section 256B.02, Subdivision 7; Minnesota Statutes 1981 Supplement, Sections 256B.02, Subdivision 8, as amended; and 256B.03.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, line 7, delete "provisions" and insert "limits"

Page 6, line 8, delete "256.996" and insert "256B.03, Subdivision 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

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.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 14, insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 60A.02, Subdivision 7, is amended to read:

Subd. 7. [INSURANCE AGENT.] An "insurance agent" is a person acting under express authority from *and an appointment pursuant to section 60A.17* by an insurer and on its behalf to solicit insurance, or to appoint other agents to solicit insurance, or to write and countersign policies of insurance, or to collect

premiums therefor within this state, or to exercise any or all these powers when so authorized by the insurer. The term "person" includes a natural person, a partnership, or a corporation."

Page 2, delete lines 12 and 13 and insert:

*"Moneys due members of the continuing insurance education advisory committee and salaries, equipment, and expenses of employees of the commerce department administering the continuing insurance education program shall be paid from the fund in the manner prescribed by law."*

Page 2, line 15, after "companies" insert "*and agents*"

Page 2, after line 26, insert:

"Sec. 3. Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivision 1, is amended to read:

Subdivision 1. [LICENSE.] (a) [REQUIREMENT.] No person shall act or assume to act as an insurance agent in the solicitation or procurement of applications for insurance, nor in the sale of insurance or policies of insurance, nor in any manner aid as an insurance agent in the negotiation of insurance by or with an insurer, including resident agents or reciprocal or interinsurance exchanges and fraternal beneficiary associations, until that person shall obtain from the commissioner a license therefor. The license shall specifically set forth the name of the person so authorized to act as agent and the class or classes of insurance for which that person is authorized to solicit or countersign policies. An insurance agent may qualify for a license in the following classes: (1) life and health; and (2) property and casualty.

No insurer shall appoint or reappoint any natural person, partnership, or corporation to act as an insurance agent on its behalf until that natural person, partnership, or corporation obtains a license as an insurance agent *and unless that person has complied with the continuing education requirements for insurance agents provided by law.*

(b) [PARTNERSHIPS AND CORPORATIONS.] A license issued to a partnership or corporation shall be solely in the name of the entity to which it is issued; provided, that each partner, director, officer, stockholder, or employee of the licensed entity who is personally engaged in the solicitation or negotiation of a policy of insurance on behalf of the licensed entity shall be personally licensed as an insurance agent.

Upon request by the commissioner, each partnership and corporation licensed as an insurance agent shall provide the commissioner with a list of the names of each partner, director, officer, stockholder, and employee who is required to hold a valid insurance agent's license.

(c) [TRANSITION.] (1) Any agent who is qualified for life or accident and health as of June 1, 1981 shall be deemed to have qualified for a life and health license under Laws 1981, Chapter 307 and been appointed by an insurer which has submitted a written requisition for a license for that agent as of June 1, 1981.

(2) Any agent who is qualified for one or more lines of insurance, excluding life or accident and health and farm property liability as of June 1, 1981 shall be deemed to have qualified for a property and casualty license under Laws 1981,

Chapter 307 and been appointed by any insurer which has submitted a written requisition for a license for that agent as of June 1, 1981.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivision 6c, is amended to read:

Subd. 6c. [REVOCAION OR SUSPENSION OF LICENSE.] (a) The commissioner may suspend or revoke an insurance agent's license issued to a natural person or impose a civil penalty appropriate to the offense, not to exceed \$5,000 upon that licensee, if, after notice and hearing, the commissioner finds as to that licensee any one or more of the following conditions:

- (1) Any materially untrue statement in the license application;
  - (2) Any cause for which issuance of the license could have been refused had it then existed and been known to the commissioner at the time of issuance;
  - (3) Violation of, or noncompliance with, any insurance law or violation of any rule or order of the commissioner or of a commissioner of insurance of another state or jurisdiction;
  - (4) Obtaining or attempting to obtain any license through misrepresentation or fraud;
  - (5) Improperly withholding, misappropriating, or converting to the licensee's own use any moneys belonging to a policyholder, insurer, beneficiary, or other person, received by the licensee in the course of the licensee's insurance business;
  - (6) Misrepresentation of the terms of any actual or proposed insurance contract;
  - (7) Conviction of a felony or of a gross misdemeanor or misdemeanor involving moral turpitude;
  - (8) That the licensee has been found guilty of any unfair trade practice, as defined in chapters 60A to 72A, or of fraud;
  - (9) That in the conduct of the agent's affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or the licensee has been shown to be incompetent, untrustworthy, or financially irresponsible;
  - (10) That the agent's license has been suspended or revoked in any other state, province, district, territory, or foreign country;
  - (11) That the licensee has forged another's name to an application for insurance; or
  - (12) That the licensee has violated subdivision 6b; or
  - (13) That the licensee has no valid appointment under section 60A.17 by an admitted insurer.
- (b) The commissioner may suspend or revoke an insurance agent's license issued to a partnership or corporation or impose a civil penalty not to exceed \$5,000 upon that licensee, if, after notice and hearing, the commissioner finds as to that licensee, or as to any partner, director, shareholder, officer, or employee of that licensee, any one or more of the conditions set forth in paragraph (a).
- (c) A revocation of a license shall prohibit the licensee from making a new

application for a license for at least one year. Further, the commissioner may, as a condition of relicensure, require the applicant to file a reasonable bond for the protection of the citizens of this state, which bond shall be maintained by the licensee in full force for a period of five years immediately following issuance of the license, unless the commissioner at his or her discretion shall after two years permit the licensee to sooner terminate the maintenance filing of the bond.

(d) Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of chapter 60A or of any rule or order of the commissioner:

(1) The commissioner may issue and cause to be served upon the person an order requiring the person to cease and desist from the violation. The order shall give reasonable notice of the time and place of hearing and shall state the reasons for the entry of the order. A hearing shall be held not later than seven days after the issuance of the order unless the person requests a delay. After the hearing and within 30 days of filing of any exceptions to the hearing examiner's report, the commissioner shall issue an order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be conducted in accordance with the provisions of chapter 15. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true;

(2) In any proceeding under chapter 60A relating to injunction, the request for injunction may be brought on for hearing and disposition upon an order to show cause returnable upon not more than eight days notice to the defendant. The case shall have precedence over other matters on the court calendar and shall not be continued without the consent of the state of Minnesota, except upon good cause shown to the court, and then only for a reasonable length of time as may be necessary in the opinion of the court to protect the rights of the defendant.<sup>5</sup>

Page 3, delete lines 3 to 5

Page 3, line 6, delete "3" and insert "2"

Page 3, line 23, delete "4" and insert "3"

Page 3, line 26, delete "which" and insert "whom"

Page 3, line 29, delete "not" and delete "either"

Page 3, line 29, after "persons" insert "neither"

Page 3, line 30, delete "or persons" and insert "nor"

Page 4, line 27, delete "5" and insert "4"

Page 5, line 7, delete "shall" and insert "may"

Page 5, line 12, delete "6" and insert "5"

Page 5, line 15, delete "7" and insert "6"

Page 5, line 26, delete "1983" and insert "1984"

Page 5, line 27, delete "1981,"

Page 5, delete line 28 and insert "1983 or 1984."

Page 5, line 29, delete "8" and insert "7"

Page 7, line 10, delete "9" and insert "8"

Page 7, line 12, after "file" insert "or cause to be filed"

Page 7, line 13, delete "the commissioner" and insert "all insurers that have appointed the licensed person as an agent"

Page 7, line 13, delete "stating" and insert "certifying"

Page 7, line 15, delete "and shall be accompanied by" and insert ". Each licensed person's compliance report shall be filed with each and every appointing company prior to each company's annual appointment of the licensed person as agent pursuant to section 60A.17. No company may appoint or reappoint a licensed person as an agent unless that licensed person has given notice to the company of compliance with the continuing education requirement by filing or causing to be filed a compliance report with the company. Each licensed person shall pay an annual continuing education fee of \$5 for deposit in the insurance division revolving fund. The fee may be paid by cashier's check or money order payable to the state of Minnesota or be paid to the company designated by the licensed person which company shall be responsible for paying the fee to the state of Minnesota. The \$5 annual continuing education fee shall be transmitted to the appointing company designated by the licensed person along with the compliance report. The company designated by the licensed person shall transmit the licensed person's continuing education fee to the commissioner along with the company's annual appointment. A company which has not been designated by a licensed person to transmit the continuing education fee to the commissioner must receive written certification that the continuing education fee has been paid before appointing any licensed person as an agent under section 60A.17.

(b) In the event an insurance industry continuing education reporting center is established, the licensed person may file the compliance report and pay the continuing education fee to the industry continuing education reporting center. The reporting center will then be responsible for notifying all companies designated by the licensed person of the licensed person's compliance with the continuing education requirement as well as for paying the continuing education fee to the commissioner.

(c) In the event the licensed person is between company appointments at the annual compliance report filing time, filing of the compliance report shall be delayed until the licensed person is appointed by a company. While the licensed person is between appointments as an insurance agent under section 60A.17, the person's license shall be suspended. The license will be automatically reinstated upon filing of the compliance report with a company and appointment of the licensed person as an agent by the company.

(d) Each licensed person shall retain the certificates of completion from each course, program of instruction, or seminar for five years following the filing of the compliance report that includes the course, program of instruction, or seminar as part of the continuing education requirement. The licensed person shall produce the certificates of completion for examination upon request by an appointing company or the commissioner. Certificates of completion are also

subject to subpoena.”

Page 7, delete lines 16 to 20

Page 7, line 21, delete “(b)” and insert “(e)”

Page 7, line 24, delete “in a published bulletin”

Page 7, line 25, delete “(c)” and insert “(f)”

Page 7, line 29, delete “(d)” and insert “(g)”

Page 8, line 4, after the period, insert “If the non-accredited course, program of instruction, or seminar is approved by the commissioner, it may be used to satisfy the continuing education requirements for the licensed person’s next annual 12-month compliance period.”

Page 8, delete lines 5 to 15

Page 8, line 16, delete “11” and insert “9”

Page 8, line 18, after “commissioner” insert “or of an appointing company”

Page 8, line 18, after “no” insert “appointment or”

Page 8, line 24, delete “12” and insert “10”

Page 8, line 29, delete “subdivision 10” and insert “section 60A.03, subdivision 6”

Page 9, line 11, delete “10” and insert “12”

Page 9, delete lines 13 to 24 and insert:

““Credit life insurance and credit accident and health insurance are not required to obtain credit. You may buy any insurance from anyone you choose or you may use existing insurance. The credit life insurance and credit accident and health insurance available through this creditor had an actual loss ratio during the calendar year last reported to the department of commerce of ..... percent. This means that, on the average, \$..... of every \$100 in premiums paid to the insurance company were returned as benefits to policyholders during that year.””

Page 9, line 29, strike the first comma

Pages 9 and 10, delete section 4

Page 10, line 13, reinstate the stricken “and”

Page 10, line 14, delete “10” and insert “12”

Page 10, line 14, after the comma, insert “by”

Page 10, delete lines 15 to 26 and insert:

““Credit life insurance and credit accident and health insurance are not required to obtain credit. You may buy any insurance from anyone you choose or you may use existing insurance. The credit life insurance and credit accident and health insurance available through this creditor had an actual loss ratio during the calendar year last reported to the department of commerce of ..... percent. This means that, on the average, \$..... of every \$100 in premiums paid to the insurance company were returned as benefits to policyholders

during that year.'''

Page 11, delete section 6

Page 11, delete lines 17 to 22 and insert:

*“Sections 1, 4, and 5, subdivisions 1 to 5 and subdivision 10, are effective the day following final enactment. Section 2 is effective July 1, 1982. Sections 6 and 7 are effective August 1, 1982. Section 5, subdivisions 6 and 7, are effective January 1, 1984. Sections 3 and 5, subdivisions 8 and 9, are effective January 1, 1985.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete “, 3”

Page 1, lines 10 and 11, delete “and by adding a subdivision;” and insert “Minnesota Statutes 1981 Supplement, Sections 60A.02, Subdivision 7; and 60A.17, Subdivisions 1 and 6c;”

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. 1839: A bill for an act relating to transportation; modifying the purpose of certain programs relating to public transit assistance and transportation management; defining certain terms applicable to certain public transit assistance and transportation management programs; requiring the commissioner of transportation to define by rule total operating cost; providing for the administration of certain programs; providing for the distribution of assistance under the public transit participation program; changing eligibility requirements for replacement transit service; amending Minnesota Statutes 1980, Section 174.21; 174.22, by adding subdivisions; 174.23, by adding subdivisions; 174.24, Subdivisions 1, 2, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 174.24, Subdivision 3; and 174.265, Subdivision 4; repealing Minnesota Statutes 1980, Sections 174.25 and 174.26.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 11, after the period, insert ““Total operating cost” may include provisions for a fee for service.”

Page 3, line 14, after “cost” insert “and fee”

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. 1712: A bill for an act relating to public welfare; allowing payment of claims for medical assistance to be made against homestead property which is part of an estate; amending Minnesota Statutes 1980, Sections 510.05 and 524.3-805; and Minnesota Statutes 1981 Supplement, Sections 256B.06, Subdivision 1, as amended; 256B.15 and 525.145.

Reports the same back with the recommendation that the bill be amended as

follows:

Amend the title as follows:

Page 1, line 2, delete "payment of"

Page 1, line 4, after the semicolon, insert "specifying abandonment of homestead for medical assistance;"

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. 1847: A bill for an act relating to agriculture; formulating a state agricultural land preservation and conservation policy; imposing duties on state agencies regarding agency actions adversely affecting agricultural land; continuing the existence of the joint legislative committee on agricultural land preservation; allocating certain state cost-sharing funds for high priority soil erosion, sedimentation and water control problems identified by local soil and water conservation districts; imposing duties on state and local soil and water conservation boards; providing technical and administrative assistance grants to local districts; requiring coordination of state soil and water conservation programs with other public agencies; establishing a conservation tillage demonstration program; appropriating money; amending Minnesota Statutes 1980, Sections 15.0412, by adding a subdivision; 40.03, Subdivision 4; 40.036; 40.07, Subdivision 9; and Laws 1979, Chapter 315, Section 2, as amended; proposing new law coded in Minnesota Statutes, Chapters 17 and 40; repealing Minnesota Statutes 1980, Section 473H.13; and Laws 1979, Chapter 315, Section 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 8, line 34, delete "not more than 80" and insert "at least 70"

Page 13, delete section 13

Page 14, line 5, delete "14" and insert "13"

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 17, 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. 1897: A bill for an act relating to veterans; providing for the furnishing of chiropractic care to residents of the Minnesota veterans home; proposing new law coded in Minnesota Statutes, Chapter 198.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, after "provided" insert ", as appropriations permit."

Page 1, delete lines 15 and 16



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. 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 by adding a subdivision; and 84.83.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, lines 24 and 26, after "the" insert "grant-in-aid"

Page 2, line 27, delete everything after "for" and insert "grants-in-aid to counties and municipalities for"

Page 2, line 28, delete ", grants to"

Page 2, line 29, delete everything before "and"

Page 2, line 30, delete everything after the period

Page 2, delete line 31

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. 1278 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.
1278	1234				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1278 be amended as follows:

Page 1, line 18, after "instrumentality" delete comma

Page 1, delete lines 19 to 23

Page 1, line 24, delete everything before the period

And when so amended H.F. No. 1278 will be identical to S.F. No. 1234, and further recommends that H.F. No. 1278 be given its second reading and substituted for S.F. No. 1234, 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. 917 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.
917	881				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 917 be amended as follows:

Page 1, line 25, after "entitled" insert a comma

Page 2, line 6, after "affairs" insert "employee"

Page 2, line 23, delete "department" and insert "commissioner"

Page 2, line 25, after "entitled" insert a comma

Page 3, line 5, after "1982" insert a comma

And when so amended H.F. No. 917 will be identical to S.F. No. 881, and further recommends that H.F. No. 917 be given its second reading and substituted for S.F. No. 881, 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. 1915 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.
1915	1763				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1915 be amended as follows:

Page 1, line 8, after "POLICY" insert "; DEFINITION"

Page 1, line 9, before "The" insert "*Subdivision 1. [POLICY.]*"

Page 1, after line 15, insert:

*"Subd. 2. [DEFINITION.] For the purposes of sections 1 to 7, "counties" means the counties of Renville, Redwood, Brown, Nicollet, Blue Earth and Le Sueur, except as otherwise provided in section 7."*

Page 1, line 19, before "The" insert "*Except as otherwise provided in section 7,*"

Page 1, line 21, delete the comma after "Le Sueur" and insert "*. The members shall be*"

Page 1, line 22, after "boards" insert "*for a term of two years*"

Page 2, line 2, after the period insert "*A majority of all members of the board constitutes a quorum and a majority vote of all members is required for the board to take any action pursuant to section 4.*"

Page 2, line 8, delete everything after "be"

Page 2, delete line 9

Page 2, line 10, delete everything before "ordinances" and insert "implemented by the board and the counties as provided in sections 1 to 6. The counties shall adopt land use"

Page 2, after line 15, insert:

*"The board shall develop and establish a schedule for implementation and administration of the plan by the counties. The schedule shall be binding on the counties subject to approval by the governing bodies of the respective counties."*

Page 3, delete lines 29 through 33 and insert:

**Sec. 5. [INCORPORATION AND ANNEXATION.]**

*When land subject to the comprehensive land use plan of the board is annexed, incorporated or otherwise subjected to the land use planning authority of a home rule charter or statutory city, a moratorium shall exist on all subdivision platting and building permits on that land until zoning regulations are adopted for that land which comply with the provisions of the comprehensive plan of the board. The moratorium shall also apply to construction, grading and filling, and vegetative cutting as those activities are defined in the comprehensive plan. This section does not apply to work done pursuant to lawful permits issued before the land became subject to the land use planning authority of the city.*

**Sec. 6. [BIENNIAL REPORT.]**

*During the first year of each biennial legislative session, the board shall prepare and present to the appropriate policy committees of the legislature a report concerning the actions of the board in exercising the authority granted by the legislature pursuant to sections 1 to 6. The report shall include an assessment of the effectiveness of the board's comprehensive land use plan and its implementation in protecting and enhancing the outstanding scenic, recreational, natural, historical, scientific and similar values of the Minnesota River and related shorelands situated within the member counties.*

**Sec. 7. [EFFECTIVE DATE.]**

*Sections 1 to 6 are effective in the counties of Blue Earth, Brown, Le Sueur, Nicollet, Redwood and Renville upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by all of those counties. If any of the counties fail to comply with Minnesota Statutes, Section 645.021, Subdivision 3, by October 1, 1982, sections 1 to 6 shall not apply to that county and that portion of the Minnesota River and related shoreland areas within the areas subject to the plan lying within such county as designated under Minnesota Statutes, Section 104.35, Subdivision 4, and shall be managed in accordance with the plan known as "Project Riverbend Fifth Draft, June 1981" as provided in Minnesota Statutes, Sections 104.31 to 104.40."*

And when so amended H.F. No. 1915 will be identical to S.F. No. 1763, and further recommends that H.F. No. 1915 be given its second reading and substituted for S.F. No. 1763, 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. 1819 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.
				1819	1858

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1819 be amended as follows:

Page 2, line 8, delete everything after "boards"

Page 2, line 9, delete everything before the period

Page 2, line 16, after "pursuant to" insert "section"

Amend the title as follows:

Page 1, line 4, after the semicolon insert "permitting the granting and transfer of credits for students; allowing reimbursement for instruction;"

And when so amended H.F. No. 1819 will be identical to S.F. No. 1858, and further recommends that H.F. No. 1819 be given its second reading and substituted for S.F. No. 1858, 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. 1743 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.
1743	1686				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1743 be amended as follows:

Page 1, delete lines 10 through 25 and insert:

*"Subdivision 1. [ORDER.] Except as provided in chapters 589 and 590, any court requiring the appearance of a person confined in a state correctional facility, mental hospital, or other institution after criminal conviction, civil commitment, or pursuant to court order, may order the confining institution to release the person into the temporary custody of the court. The order shall specify:*

*(a) The reason for the person's appearance;*

(b) *To whom the confined person may be released; and*

(c) *The date and time of the release.*

Subd. 2. [COSTS.] *The court shall, without any cost to the releasing institution, determine and implement a cost effective and convenient method for obtaining the person's appearance, including requiring the parties to the proceedings to pay all or a part of the costs as otherwise provided by law."*

Page 2, delete line 1

And when so amended H.F. No. 1743 will be identical to S.F. No. 1686, and further recommends that H.F. No. 1743 be given its second reading and substituted for S.F. No. 1686, 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. 1799 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.
1799	1794				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1799 be amended as follows:

Page 1, line 22, delete "*of*" and insert "*or amendment to*"

Page 1, line 29, delete "*issue*" and insert "*issues*" and after "*cost*" insert "*and quality*"

Page 2, delete lines 5 to 36

Page 3, delete lines 1 to 36

Page 4, delete lines 1 to 16

Page 4, line 22, strike everything after "*acquisition*"

Page 4, line 23, strike "*diagnostic or therapeutic equipment,*"

Page 5, line 14, reinstate the stricken "*and*"

Page 6, line 28, after "~~and~~" insert "*; or*"

Page 6, line 28, before "~~the~~" insert "*(b)*"

Page 6, line 28, reinstate the stricken "*the expenditure is required solely to meet*"

Page 6, line 29, reinstate the stricken language

Page 6, line 30, strike "*(b)*" and insert "*(c)*"

Page 6, line 34, after the semicolon insert "*or*"

Page 6, line 35, delete "*(c)*" and insert "*(d)*"

Page 7, line 1, delete "(d)" and insert "(e)"

Page 7, line 9, delete "(c) and (d)" and insert "(d) and (e)"

Page 7, line 10, delete "section" and insert "subdivision"

Page 7, line 11, after "1982" insert a comma

Page 7, line 30, delete "and" and insert a comma

Page 7, line 31, after "welfare" insert a comma

Page 7, line 33, delete "to" and insert "in"

Page 8, line 2, delete "3 to 5" and insert "2 to 4"

Page 8, line 13, delete "3 to 5" and insert "2 to 4"

Page 8, line 16, delete "3 to 5" and insert "2 to 4"

Page 8, after line 24, insert:

"Sec. 6. [PRICE REPORTING.]

*The commissioner of health shall encourage hospitals and professionals regulated by the health related licensing boards as defined in section 214.01, subdivision 2, or by the commissioner of health pursuant to section 214.13, to continue voluntary efforts to publish prices for procedures and services that are representative of the diagnoses and conditions for which citizens of this state seek treatment. The commissioner shall report to the appropriate committees of the house of representatives and senate on the progress of these voluntary efforts on January 3, 1984. If no progress has been made as of that date, the commissioner shall recommend legislation for voluntary or mandatory collection of this information, and shall include estimates of the cost for the department of health to collect, analyze and publish this information, as well as estimates of the cost to hospitals, regulated providers, and their patients to provide data to the department for this purpose."*

Page 14, line 27, after "1983" insert a comma

Page 15, line 5, delete "3 to 6" and insert "2 to 5, 9"

Page 15, line 6, delete everything after the period

Page 15, delete lines 7 to 14

Page 15, line 15, delete everything before "Sections"

Page 15, line 15, delete "7 to 9" and insert "6 to 8"

Page 15, line 16, delete "1984" and insert "1983"

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete line 4

Page 1, line 5, delete "disseminated;"

Page 1, line 7, after "reports;" insert "encouraging price disclosure;"

Page 1, line 11, delete "proposing new law coded in"

Page 1, line 12, delete everything before "repealing"

And when so amended H.F. No. 1799 will be identical to S.F. No. 1794, and further recommends that H.F. No. 1799 be given its second reading and substituted for S.F. No. 1794, 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. 438 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.
				438	419

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 438 be amended as follows:

Page 1, before line 13, insert:

“Section 1. Minnesota Statutes 1981 Supplement, Section 354.46, Subdivision 1, is amended to read:

Subdivision 1. [BASIC PROGRAM; BENEFITS FOR SPOUSE AND CHILDREN OF TEACHER.] If a basic member who has at least 18 months of allowable service credit and who has an average salary as defined in section 354.44, subdivision 6 equal to or greater than \$75 dies prior to retirement or if a former basic member who, at the time of death, was totally and permanently disabled and receiving disability benefits pursuant to section 354.48 dies prior to attaining the age of 65 years, the surviving dependent spouse and dependent children of the basic member or former basic member shall be entitled to receive a monthly benefit as follows:

(a) Surviving dependent spouse ..... 30 percent of the basic member's monthly average salary paid in the last full fiscal year preceding death

(b) Each dependent child ..... ten percent of the basic member's monthly average salary paid in the last full fiscal year preceding death

Payments for the benefit of any dependent child under the age of 22 years

shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed \$450 \$700 for any one family, and the minimum benefit per family shall not be less than 30 percent of the basic member's average salary, subject to the foregoing maximum. The surviving dependent spouse benefit shall terminate upon remarriage, and the surviving dependent children's benefit shall be reduced pro tanto when any surviving child is no longer dependent.

If the basic member and the surviving dependent spouse are killed in a common disaster and if the total of all survivors benefits payable pursuant to this subdivision is less than the accumulated deductions plus interest payable, the surviving dependent children shall receive the difference in a lump sum payment.

If the survivor benefits provided in this subdivision exceed in total the monthly average salary of the deceased basic member, these benefits shall be reduced to an amount equal to the deceased basic member's monthly average salary.

Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to subdivision 2, or may elect to receive a refund of accumulated deductions with interest in a lump sum as provided pursuant to sections 354.47, subdivision 1 or 354.62, subdivision 5, clause (3). If there are any surviving dependent children, the surviving dependent spouse may elect to receive the refund of accumulated deductions only with the consent of the district court of the district in which the surviving dependent child or children reside.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 354.46, Subdivision 2, is amended to read:

Subd. 2. [DEATH WHILE ELIGIBLE DESIGNATED BENEFICIARY BENEFIT.] *The surviving spouse of any member who has attained the age of at least 55 years and has credit for at least 20 years of allowable service or who has credit for at least 30 years of allowable service irrespective of age shall be entitled to elect joint and survivor annuity coverage in the event of death of the member prior to retirement which shall be payable to the surviving spouse. If the election is made and the person dies prior to retirement, the surviving spouse, If the surviving spouse does not elect to receive a surviving spouse benefit provided pursuant to subdivision 1, if applicable, or does not elect to receive a refund of accumulated member contributions provided pursuant to sections 354.47, subdivision 1, or 354.62, subdivision 5, clause (3), whichever is applicable, the surviving spouse shall be entitled to receive, upon written application on a form prescribed by the executive director, a benefit equal to the second portion of a 100 percent joint and survivor annuity as provided pursuant to section 354.45 and computed pursuant to section 354.44, subdivisions 2, 6 or 7, whichever is applicable. If the member was a participant in the variable annuity division, the applicable portion of the benefit shall be computed pursuant to section 354.62, subdivision 5, clause (1). The benefit shall be payable for life."*

Page 1, line 14, after "I." insert "[AUTHORITY.]"

Page 1, line 19, delete "2" and insert "4"



Page 1, line 22, insert a comma after "1960"

Page 1, line 25, insert a comma after "1960"

Page 2, line 5, delete the two commas

Page 2, line 15, insert a comma after "1957"

Page 2, line 24, insert a comma after "1951"

Page 2, line 33, insert a comma after "1974"

Page 3, line 2, delete "3" and insert "5"

Page 3, line 3, after "service" insert "in the armed forces of the United States."

Page 3, line 3, delete "pursuant to" and insert "in"

Page 4, line 5, insert a comma after "1972"

Page 4, line 7, insert a comma after "1977"

Page 4, line 8, insert a comma after "1972"

Page 4, line 12, insert a comma after "1941"

Page 5, line 32, delete "1" and insert "3"

Page 5, line 36, delete "1" and insert "3"

Page 6, line 3, delete "1" and insert "3"

Page 6, line 17, delete "pursuant to" and insert "in"

Page 6, line 19, insert a comma after "entitled" and a comma after "application"

Page 6, line 30, delete "2" and insert "4"

Page 7, line 11, delete "Paragraph 2" and insert "second paragraph"

Page 7, delete lines 16 to 36

Page 8, delete lines 1 to 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "teachers retirement association; modifying survivor benefits;"

Page 1, delete line 7

Page 1, line 8, delete everything before "amending"

Page 1, line 10, delete "Subdivision" and insert "Subdivisions 1 and"

And when so amended H.F. No. 438 will be identical to S.F. No. 419, and further recommends that H.F. No. 438 be given its second reading and substituted for S.F. No. 419, 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. Chmielewski from the Committee on Employment, to which was referred

H.F. No. 1220: A bill for an act relating to unemployment compensation; clarifying that quitting work due to sexual harassment does not result in benefit disqualification; amending Minnesota Statutes 1980, Section 268.09, Subdivision 1.

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 62A.10, Subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] Group accident and health insurance is hereby declared to be that form of accident and health insurance covering not less than two employees nor less than ten members, and which may include the employee's or member's dependents, consisting of husband, wife, children, and actual dependents residing in the household, written under a master policy issued to any governmental corporation, unit, agency, or department thereof, or to any corporation, copartnership, individual, employer, or to any association having a constitution or bylaws and formed in good faith for purposes other than that of obtaining insurance under the provisions of this chapter, where officers, members, employees, or classes or divisions thereof, may be insured for their individual benefit.

Any insurer authorized to write accident and health insurance in this state shall have power to issue group accident and health policies.

*If an employee and his dependents are insured under a group policy, as the result of employment eligibility for insurance, eligibility for coverage shall not be terminated if the employee ceases to be employed as a result of a personal injury as defined in section 176.011, subdivision 16.*

Sec. 2. Minnesota Statutes 1980, Section 62C.14, is amended by adding a subdivision to read:

*Subd. 16. No subscriber's individual contract or any group contract shall terminate an individual's or the individual's dependent's eligibility for coverage because the individual is no longer employed as the result of a personal injury as defined in section 176.011, subdivision 16.*

Sec. 3. Minnesota Statutes 1980, Section 62D.10, is amended by adding a subdivision to read:

*Subd. 5. No health plan shall terminate eligibility for coverage of an enrollee or his dependents because the enrollee is no longer employed as the result of a personal injury as defined in section 176.011, subdivision 16.*

Sec. 4. [79.212] [INSURERS TO OFFER DEDUCTIBLES.]

*Each insurer licensed to transact workers compensation pursuant to section 60A.06, subdivision 1, clause (5), paragraph (b), shall offer workers' compensation policies which employers may purchase at a lower premium than the premium which would result from use of the schedule of rates approved by the commissioner. These policies shall contain a deductible which specifies the*

*amount of benefits payable by the employer on each occurrence which results in personal injury.*

*These policies shall require the insurer to pay all benefits due under the policy. The employer shall deposit the amount of the deductible with the insurer at the inception of the policy period. The insurer shall pay all losses when due utilizing the amounts deposited as specified by the deductible in the policy. The insurer may require the employer to deposit additional funds if the deposited funds are depleted. Each policy shall clearly state the maximum total liability of the employer under the deductible for the policy period.*

*All interest income earned on the funds deposited with the insurer by the employer shall be credited to the employer. The policy shall provide that funds deposited by the employer, together with the credited interest income, which are not expected to be paid out by the insurer due to claims incurred during the policy period shall be returned to the employer or credited to the next policy period.*

*The minimum deductible that shall be required is \$1,000 per occurrence and \$5,000 total liability per year.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 79.25, Subdivision 1, is amended to read:

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 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 commissioner of insurance shall enter into a service contract with one or more qualified ~~members of the association~~ *insurance companies*, 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~~ *insurers licensed pursuant to section 60A.06, subdivision 1, clause (5)(b)* 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 insurer~~ bears to the total compensation insurance written in this state during the preceding year by all the ~~members of the association~~ *licensed insurers*. 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 insurer~~ 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.

*Policies and contracts of coverage issued pursuant to this subdivision shall be deemed to meet the mandatory insurance requirements of section 176.181, subdivision 2.*

Sec. 6. Minnesota Statutes 1980, Section 79.25, is amended by adding a subdivision to read:

Subd. 3. [ANNUAL ASSESSMENT.] *The commissioner shall annually assess from each insurer licensed pursuant to section 60A.06, subdivision 1,*

*clause (5)(b), an amount sufficient to fully fund the obligations of the assigned risk plan. The assessment of each insurer shall be in an amount that the compensation insurance written in this state by that insurer during the preceding calendar year bears to the total compensation insurance written in this state by all licensed insurers during the preceding calendar year.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 79.63, Subdivision 1, is amended to read:

Subdivision 1. [ADMINISTRATION.] The commissioner shall ~~appoint~~ *contract with* a licensed data service organization to ~~administer~~ *make assignments, gather data, collect assessments, and perform other services* for 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.~~

Sec. 8. Minnesota Statutes 1981 Supplement, Section 79.63, Subdivision 2, is amended to read:

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~~ *contracted with* 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.~~

Sec. 9. Minnesota Statutes 1981 Supplement, Section 79.63, Subdivision 4, is amended to read:

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~~ *concerning the assigned risk plan.*

Sec. 10. Minnesota Statutes 1980, Section 147.20, is amended to read:

147.20 [RESIDENT PHYSICIANS.]

No person shall act as a resident physician without first obtaining such temporary certificate for graduate training and any violation of this section shall be a gross misdemeanor; provided, however, that the provisions of this section shall not apply to a doctor of medicine or doctor of osteopathy duly licensed and registered in this state to practice medicine in all of its branches, nor to a doctor of medicine duly enrolled and regularly attending the graduate school *or post graduate program of the medical school* of the University of Minnesota including the Mayo foundation.

Sec. 11. Minnesota Statutes 1980, Section 176.011, Subdivision 3, is amended to read:

Subd. 3. [DAILY WEEKLY WAGE.] "*Daily Weekly wage*" means the ~~daily~~ *daily weekly* wage of the employee in the employment in which he was engaged at the time of injury but does not include tips and gratuities paid directly to an employee by a customer of the employer and not accounted for by the employee to the employer. *Occasional overtime is not to be considered, but if the*

*overtime is regular or frequent throughout the year, it shall be taken into consideration.* If the amount of the ~~daily~~ weekly wage received or to be received by the employee in the employment in which he was engaged at the time of injury was irregular or difficult to determine, or if the employment was part time, the ~~daily~~ weekly wage shall be computed by dividing the total amount the employee actually earned in such employment in the last 26 weeks, by the total number of ~~days~~ weeks in which the employee actually performed any of the duties of such employment, provided further, that in the case of the construction industry, mining industry, or other industry where the hours of work are affected by seasonal conditions, ~~the weekly wage shall not be less than five times the daily wage~~ weeks where the employee worked less than the lesser of 40 hours or the normal number of hours worked in a week shall not be included in weeks worked. Where board or allowances other than tips and gratuities are made to an employee in addition to wages as a part of the wage contract they are deemed a part of his earnings and computed at their value to the employee. In the case of persons performing services for municipal corporations in the case of emergency, then the normal working ~~day~~ week shall be considered and computed as eight hours five days, and in cases where ~~such~~ the services are performed gratis or without fixed compensation the ~~daily~~ weekly wage of the person injured shall, for the purpose of calculating compensation payable under this chapter, be taken to be the usual going wage paid for similar services in municipalities where ~~such~~ the services are performed by paid employees. If, at the time of injury, the employee was regularly employed by two or more employers, the employee's earnings in all such employments shall be included in the computation of ~~daily~~ weekly wage.

Sec. 12. Minnesota Statutes 1981 Supplement, 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 *and the member is compensated for the service from state funds*. 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;

*(16) those students enrolled in and regularly attending the medical school of the University of Minnesota, whether in the graduate school program or the post graduate program, as provided in section 147.20, notwithstanding that the students shall not be considered employees for any other purpose. In the event of the student's injury or death, the weekly wage of the student for the purpose of calculating compensation payable under chapter 176, shall be the annualized educational stipend awarded to the student, divided by 52 weeks. The institution in which the student is enrolled shall be considered the "employer" for the limited purpose of determining responsibility for paying benefits payable under chapter 176.*

In the event it is difficult to determine the ~~daily~~ weekly wage as provided in this subdivision, then the trier of fact may determine the wage upon which the compensation is payable.

Sec. 13. Minnesota Statutes 1980, Section 176.011, is amended by adding a subdivision to read:

*Subd. 23. [SPENDABLE WEEKLY WAGE.] (a) "Spensible weekly wage" means weekly wage minus the sum of: (1) the amount which would be withheld according to withholding tables in effect on the January 1 preceding the personal injury, as described in the Internal Revenue Code of 1954, as amended, assuming that the maximum number of exemptions for dependency apply as the worker would be entitled to receive at the time of injury; and (2) the amount which would be withheld according to withholding tables in effect on the January 1 preceding the injury under Minnesota Statutes, Chapter 290, and related rules, assuming that the maximum number of exemptions for dependency apply as the worker would be entitled to receive at the time of injury; and (3) an amount equal to the amount required on the January 1 preceding the injury, by the Social Security Act of 1935 and any related amendments, to be deducted or withheld from the weekly wage of the employee as if the weekly*

wage were earned at the beginning of the calendar year in which the injury occurred.

(b) Where there is a dispute as to the correct number of exemptions for dependency which should apply under clause (a), the spendable weekly wage shall be determined according to the minimum number of exemptions to which the employee would be entitled at the time of injury. Upon a final determination of the correct number of exemptions which apply, any additional benefit payable to the employee shall include interest payable at the rate of 18 percent per annum based on the amount of difference due.

Sec. 14. Minnesota Statutes 1981 Supplement, Section 176.021, Subdivision 3, is amended to read:

Subd. 3. [COMPENSATION, COMMENCEMENT OF PAYMENT.] All employers shall commence payment of 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 for medical, burial, and other non-periodic benefits, payments shall be made as nearly as possible at the intervals when the wage was payable, provided, however, that payments for permanent partial disability shall be governed by subdivision 3a. If doubt exists 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, and further payment shall be made upon any later ascertainment of greater permanent partial disability. At the time of 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 in addition to compensation for temporary total disability, rehabilitation and temporary partial disability pursuant to section 176.101, subdivisions 1 and 2, as provided in subdivision 3a. ~~Compensation for permanent partial disability is payable concurrently and in addition to compensation for permanent total disability pursuant to section 176.101, subdivision 5, as provided in subdivision 3a.~~ Compensation for permanent partial disability shall be withheld pending completion of payment for temporary total and temporary partial disability but shall not be withheld pending payment of compensation for permanent total disability, and when it is determined by a qualified rehabilitation consultant pursuant to section 176.102 that the employee's condition precludes the development of a rehabilitation plan. 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, or 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, or 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. 15. Minnesota Statutes 1981 Supplement, Section 176.021, Subdivision 3a, is amended 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 disability payments have ceased, but the employee has not returned to work, payment shall be made at the same intervals as ~~temporary~~ total disability payments were made;

(c) If ~~temporary~~ total disability payments cease ~~because the employee is receiving payments for permanent total disability or because have not ceased~~ and 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. 16. Minnesota Statutes 1980, Section 176.021, is amended by adding a subdivision to read:

*Subd. 3b. [DISPUTE RESOLUTION.] When the examinations by the employee's physician and the employer's physician produce disability ratings that differ, the employer shall, when it is due, pay the benefit established by the examination conducted by the employer's physician. If there is no settlement and a hearing is held, the compensation judge shall accept one of the two original disability ratings as the appropriate basis for determining permanent partial benefits and shall not accept any other rating. Each dispute shall be resolved by accepting the rating that is closest to the one that would be obtained if an evaluation were conducted in accordance with the standards established in section 37.*

Sec. 17. Minnesota Statutes 1980, Section 176.021, Subdivision 5, is amended to read:

Subd. 5. [ACCUMULATED CREDITS, ADDITIONAL PAYMENTS.] If employees of the state or a county, city or other political subdivision of the state who are entitled to the benefits of the workers' compensation law have, at the time of compensable injury, accumulated credits under a vacation, sick leave or overtime plan or system maintained by the governmental agency by which they are employed, the appointing authority may provide for the payment of additional benefits to such employees from their accumulated vacation, sick leave or overtime credits. Such additional payments to an employee may not exceed the amount of the total sick leave, vacation or overtime credits accumulated by the employee and shall not result in the payment of a total weekly rate of compensation that exceeds the weekly wage of the employee. Such additional payments to any employee shall be charged against the sick leave, vacation and overtime credits accumulated by such employee. *Employees of a county, city or other political subdivision entitled to the benefits of the*

workers' compensation law may receive additional benefits pursuant to a collective bargaining agreement or other plan entered into or in effect on or after January 1, 1980, providing payments by or on behalf of the employer and these additional benefits may be unrelated to any accumulated sick leave, holiday or overtime credits and need not be charged against any accumulation; provided that the additional payments shall not result in the payment of a total weekly rate of compensation that exceeds the weekly wage of the employee. The commissioner of the department of labor and industry for the state or the governing body of any county, city or other political subdivision to which the provisions of this chapter apply, may adopt rules and regulations not inconsistent with this chapter for carrying out the provisions hereof relating to payment of additional benefits to employees from accumulated sick leave, vacation or overtime credits or other sources.

Sec. 18. Minnesota Statutes 1980, Section 176.101, Subdivision 1, is amended to read:

Subdivision 1. [~~TEMPORARY TOTAL DISABILITY.~~] For injury producing ~~temporary~~ total disability, ~~66 2/3~~ (a) the benefit shall be equal to 90 percent of the ~~daily~~ employee's spendable weekly wage at the time of injury if the employee was earning a weekly wage of \$150 or less, or (b) the benefit shall equal the greater of the benefit which would have been payable if the employee's weekly wage was \$150 or 80 percent of the employee's spendable weekly wage if the employee was earning a weekly wage of \$151 or more ~~(4)~~ provided that ~~during the year commencing on October 1, 1979, and each year thereafter, commencing on October 1,~~ the maximum weekly benefits payable shall be 100 percent of the statewide average weekly wage for the period ending December 31, of the preceding year.

(2) ~~The minimum weekly compensation benefits for temporary total disability shall be not less than 50 percent of the statewide average weekly wage or the injured employee's actual weekly wage, whichever is less. In no case shall a weekly benefit be less than 20 percent of the statewide average weekly wage.~~

This ~~compensation benefit~~ shall be ~~paid payable~~ during the period of disability, payment to be made at the intervals when the wage was payable, as nearly as may be, until the injured employee is:

(1) *Medically recovered from the personal injury and able to substantially perform the duties of the preinjury job or a job utilizing similar skills. For the purposes of this clause "substantially perform the duties of the preinjury job" means that an employee is able to meet the minimum standards of output or productivity established for the preinjury job. The employer shall have the option of altering or reducing these standards to accommodate any temporary or permanent physical limitations of an employee as a means of establishing a job utilizing similar skills. If an employer is unable to offer employment to the employee after the employee has medically recovered because the employer no longer has a sufficient volume of work for the injured employee and no other employer has offered a job meeting the requirements of clause (1), total disability benefits shall be continued until all other workers performing the same job with the employer at the time of injury but who have less seniority than the injured employee have been laid off. If benefits are terminated due to the layoff the employee shall, notwithstanding any law to the contrary, immediately be eligible for benefits under sections 268.03 to 268.24 provided that the other*

*eligibility criteria of that chapter have been satisfied;*

*(2) Receiving temporary partial disability benefits; or*

*(3) Receiving rehabilitation benefits.*

*Where an employee is totally disabled for part of a week, the benefit shall be equal to the same portion of the weekly benefit as the days of total disability are to the number of days in the employee's normal work week.*

Sec. 19. Minnesota Statutes 1980, Section 176.101, Subdivision 2, is amended to read:

Subd. 2. [TEMPORARY PARTIAL DISABILITY.] In all cases of temporary partial disability the compensation shall be ~~66 2/3~~ *equal to the same percent of the difference between the daily employee's preinjury spendable weekly wage of the worker at the time of injury and the current spendable weekly wage he is able to earn in his partially disabled condition as the employee was eligible to receive pursuant to subdivision 1.* This compensation shall be paid during the period of disability *and upon the employee's return to work*, payment to be made at the intervals when the wage was payable, as nearly as may be, and subject to a maximum compensation equal to 100 percent of the statewide average weekly wage. ~~If the employer does not furnish the worker with work which he can do in his temporary partially disabled condition and he is unable to procure such work with another employer, after reasonably diligent effort, the employee shall be paid at the full compensation rate for his or her temporary total disability.~~

Sec. 20. Minnesota Statutes 1981 Supplement, Section 176.101, Subdivision 3, is amended to read:

Subd. 3. [PERMANENT PARTIAL DISABILITY.] For permanent partial disability compensation shall be ~~that 66 2/3 percent of the weekly wage for the disability and for the weeks named listed in the following schedule,~~ subject to a total maximum weekly compensation equal to the statewide weekly wage: \$267. *The maximum period of compensation shall be 500 weeks.*

(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,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 35 weeks;

(9) For the loss of a toe other than a great toe,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 15 weeks;

(10) The loss of the first phalange of any toe is considered equal to the loss of one-half of the toe, and compensation shall be paid at the prescribed rate during one-half the time specified for the loss of the toe;

(11) The loss of one and one-half or more phalanges is considered equal to the loss of the entire toe;

(12) For the loss of a hand, not including the wrist movement,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 195 weeks;

(13) For the loss of a hand, including wrist movement,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 220 weeks;

(14) For the loss of an arm,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 270 weeks;

(15) Amputation of the arm below the elbow is considered the loss of a hand, including wrist movement, if enough of the forearm remains to permit the use of an effective artificial member, otherwise it is considered the loss of an arm;

(16) For the loss of a foot, not including ankle movement,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 140 weeks;

(17) For the loss of a foot, including ankle movement,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 165 weeks;

(18) For the loss of a leg, if enough of the leg remains to permit the use of an effective artificial member,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 195 weeks;

(19) For the loss of a leg so close to the hip that no effective artificial member can be used,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 220 weeks;

(20) Amputation of a leg below the knee is considered as equal to the loss of a foot, including ankle movement, if enough of the lower leg remains to permit the use of an effective artificial member, otherwise it is considered as equal to the loss of a leg;

(21) For the loss of an eye,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 160 weeks;

(22) For the loss of two eyes, 450 weeks;

(22) (23) 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 50 weeks;

(23) (24) 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 170 200 weeks;

(24) For the loss of an eye and a leg,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 475 weeks;

(25) For the loss of an eye and an arm,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 475 weeks;

(26) For the loss of an eye and a hand,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 450 weeks;

(27) For the loss of an eye and a foot,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 400 weeks;

(28) For the loss of two arms, other than at the shoulder,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;

(29) For the loss of two hands,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;

(30) For the loss of two legs, other than so close to the hips that no effective artificial member can be used,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;

(31) For the loss of two feet,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;

(32) For the loss of one arm and the other hand,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;

(33) For the loss of one hand and one foot,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;

(34) For the loss of one leg and the other foot,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;

(35) For the loss of one leg and one hand,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;

(36) For the loss of one arm and one foot,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;

(37) For the loss of one arm and one leg,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;

(38) (25) For loss of the voice mechanism,  $66 \frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;

(39) (26) For head injuries,  $66 \frac{2}{3}$  percent of the daily *weekly* 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 or as determined by the workers' compensation court of appeals in cases on appeal;

(40) (27) 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,  $66 \frac{2}{3}$  percent of the daily *weekly* wage at time of injury for that proportion of 500 weeks, not to exceed 500 weeks, as determined by the commissioner, 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 or the workers' compensation court of appeals;

(41) (28) 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 weekly 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) (29) 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) (30) 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 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) (31) For permanent partial disability resulting from injury to the body as a whole due to burns, 66 2/3 percent of the ~~daily weekly~~ 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 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) (32) 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 weekly~~ 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. 21. Minnesota Statutes 1980, Section 176.101, is amended by adding subdivisions to read:

*Subd. 7. [HEALTH INSURANCE COVERAGE.] If at the time of injury the employee or the employee and his or her dependents are covered under an accident and health insurance policy, or a contract issued pursuant to chapter 62C, 62D, or any plan defined in section 62E.02, subdivision 22, for which the employer paid premiums or contributions, the employee and applicable dependents shall be entitled to coverage under that plan or policy, during the period for which total disability benefits are paid pursuant to subdivisions 1 or 4, for up to one year after the time of injury, provided the employee continues to pay any share of the premium which was payable by the employee prior to the injury.*

*Subd. 8. [COORDINATION OF OFFSETS.] If there are benefit payments from more than one of the benefit sources named in subdivisions 9 and 10, each shall reduce the benefit otherwise payable pursuant to this section and the remainder after all reductions shall be the reduced benefit payable pursuant to this section.*

*Subd. 9. [SOCIAL SECURITY OFFSET.] Benefits from any government disability program, or any old age benefits program for which the employee is eligible shall reduce benefits otherwise payable under subdivisions 1 and 4 by the amount of the government benefit. If an employee may be eligible for these benefits but has not made application, then the employer shall notify the employee of the possible eligibility and if no application has been made within 30 days of the notice, the payment of benefits under this chapter shall be interrupted until application is made. These benefits shall be paid in full after the application has been made.*

*Subd. 10. [OTHER OFFSETS.] The benefits payable pursuant to subdivision 1 shall be reduced by one dollar for each dollar received from the benefit sources listed in clauses (a) and (b) of this subdivision. If the employee was required to make contributions to finance the benefit coverage for which an offset pursuant to this subdivision is required, the amount of the benefit pay-*

ment which will reduce the total disability benefit pursuant to this section shall be that fraction of the benefit payment which bears the same proportional relationship that the employer contribution bears to the total contribution for the plan, fund or program:

(a) Any benefit payment from a public or private sector pension or retirement fund or program, whether or not the fund or program is a qualified plan within the meaning of section 401 of the Internal Revenue Code of 1954, as amended, which is payable at an age prior to the attainment of the normal retirement age specified in the benefit plan of the fund or program, or the age for the receipt of a retirement annuity or pension which is not reduced for early retirement, and which is payable on account of the injury, illness or accident of the person which renders the person incapable of continued employment; and

(b) Any benefit payment pursuant to a disability benefit plan or program, whether provided pursuant to a contract with an insurance carrier, self-insured by the employer with reserves or self-insured by the employer without reserves, which is provided to the person by virtue of employment by that employer and which is financed in whole or in part by the employer.

Sec. 22. Minnesota Statutes 1980, Section 176.102, Subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] Vocational Rehabilitation shall train an is intended to restore the injured employee, through physical and vocational rehabilitation, so he may be returned return to a job related to his former employment or to a job in another work area which produces an economic status as close as possible to that he would have enjoyed without disability suitable gainful employment. Rehabilitation to a job with a higher economic status than would have occurred without disability is permitted if it can be demonstrated that this rehabilitation is necessary to increase the likelihood of reemployment. Economic status is to be measured not only by opportunity for immediate income but also by opportunity for future income.

"Suitable gainful employment" for the purposes of this section is employment that is reasonably obtainable and offers an opportunity to restore the injured employee as soon as possible and as nearly as possible to a job related to his former employment or to a job in another work field in which he could produce earnings as close as possible to those he received at the time of the personal injury.

Rehabilitation for employment which may produce earnings greater than those the employee received at the time of personal injury is permitted if it can be demonstrated that this rehabilitation is necessary for re-employment. Consideration shall be given to the employee's qualifications including but not limited to age, education, previous work history, interest, and transferable skills.

Sec. 23. Minnesota Statutes 1980, Section 176.102, is amended by adding a subdivision to read:

Subd. 1b. [REHABILITATION PRIORITIES.] The following priorities are established for use in exploring alternative rehabilitation plans. No higher numbered priority shall be utilized unless all lower numbered priorities have been determined by the qualified rehabilitation consultant to be unlikely to result in returning the employee to suitable gainful employment; provided, if a



*lower numbered priority is clearly inappropriate for the employee, the next higher numbered priority shall be utilized.*

*Priority 1 is modification of the previous job with the same employer, including a transitional return to work.*

*Priority 2 is a new job with the same employer in keeping with any limitations or restrictions of the employee.*

*Priority 3 is modification of the previous job with a new employer.*

*Priority 4 is a new job with a new employer as a result of direct job placement based upon transferable skills.*

*Priority 5 is a new job with a new employer involving on-the-job training.*

*Priority 6 is retraining and job placement consistent with the purposes of rehabilitation.*

Sec. 24. Minnesota Statutes 1980, Section 176.102, Subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATORS.] The commissioner of labor and industry shall hire a director of medical and rehabilitation services in the classified service. The commissioner of labor and industry is responsible for supervising medical and rehabilitation services, including the selection and delivery of services. The commissioner of labor and industry may hire qualified personnel to assist in his these duties under this section and may delegate his those duties and performance.

Sec. 25. Minnesota Statutes 1980, Section 176.102, Subdivision 3, is amended to read:

Subd. 3. [REVIEW PANEL.] There is created a rehabilitation review panel composed of the commissioner of labor and industry or his a designee, who shall serve as an ex officio member and two members each from labor, employers, insurers, vocational rehabilitation, and medicine and one member representing chiropractors. The members shall be appointed by the governor and shall serve ~~four year~~ four-year terms which may be renewed. Compensation for members shall be governed by section 15.0575. The panel shall select a chairman. The panel shall (a) review and make a determination with respect to (a) appeals regarding rehabilitation plans and benefits; and (b) hold appeals regarding certification approval or revocation of certification approval hearings; (c). The panel shall continuously study medical and rehabilitation services and delivery; and (d) develop and recommend medical and rehabilitation rules as necessary to the commissioner of labor and industry. A majority vote of those attending a panel hearing under subdivision 6 shall constitute the decision of the board.

Sec. 26. Minnesota Statutes 1980, Section 176.102, Subdivision 4, is amended to read:

Subd. 4. [REHABILITATION PLAN; DEVELOPMENT.] Within 30 15 days of the time an employer or his insurer has medical information that an employee is unable due to a personal injury or occupational disease to return to his preinjury occupation the employer shall provide rehabilitation consultation for the employee. The employee, however, has the final decision on which rehabilitation agency is to be utilized pursuant to the provisions of this section.

The consultation shall be done by any person or public or private institution approved by the commissioner of labor and industry. If the consultant determines rehabilitation would significantly reduce or eliminate the decrease in employability, the employer or insurer in conjunction with the rehabilitation consultant shall submit a specific plan of rehabilitation to the commissioner. If the employer does not provide rehabilitation consultation, when required by this section, within the time specified by this subdivision, the commissioner of labor and industry shall notify the employer and insurer that should they fail to provide rehabilitation consultation within 15 days from the receipt of the commissioner's notice, the division of vocational rehabilitation shall be authorized to provide the rehabilitation consultation for the employee. If the employee refuses to submit to any reasonable examinations and evaluative procedures to determine the need for and the details of a plan of rehabilitation, the amount of compensation may be reduced or the right to compensation may be suspended by an order of the division or workers' compensation court of appeals in a matter before it. In developing a plan, consideration shall be given to the employee's age, education, previous work history, interests and skills, or in any event, if within 90 days after the personal injury the employee has not returned to work, the employer shall refer the employee to a qualified rehabilitation consultant for a determination of whether rehabilitation is necessary to carry out the purposes of this section. If rehabilitation is determined to be necessary, the employee and employer shall enter into a program as prescribed in a rehabilitation plan. A copy of the plan, including a target date for return to work, shall be submitted to the department of labor and industry. If, within 30 days of the first consultation with a qualified rehabilitation consultant, the employee objects to the employer's selection of that qualified rehabilitation consultant, the employee must notify the employer and the commissioner in writing of his objection and request the selection of an alternative qualified rehabilitation consultant. If that qualified rehabilitation consultant is objectionable to the employer, and if a mutually acceptable qualified rehabilitation consultant cannot be found, the commissioner shall be notified by the employer in a timely manner that no mutually acceptable qualified rehabilitation consultant can be found. Upon receipt of this notice and within seven days, the commissioner shall provide the employee and employer with a list of three other qualified rehabilitation consultants from which the employee and employer shall, within seven days, each disapprove one qualified rehabilitation consultant. The remaining qualified rehabilitation consultant shall be utilized.

(b) If the employer does not provide rehabilitation evaluation as required by this section within 75 days from the date of injury, the commissioner shall notify the employer that if the employer fails to appoint a qualified rehabilitation consultant within 15 days to conduct a rehabilitation evaluation, the commissioner shall appoint a qualified rehabilitation consultant to provide the evaluation at the expense of the employer unless the commissioner determines the evaluation is not required. The commissioner may assess a penalty of up to \$5,000, to be paid to the special compensation fund by any employer if the commissioner has appointed a qualified rehabilitation consultant and return to work has not been accomplished within 180 days, subject to the limitations in clause (c) below.

(c) If the employee's condition does not permit determination of the employee's need for rehabilitation or a rehabilitation plan cannot be developed within 90 days after the injury, a further rehabilitation evaluation by a qualified rehabilitation consultant is required six months following the date of injury. If the employee's condition still precludes development of a rehabilitation plan at this time, a further evaluation by a qualified rehabilitation con-

*sultant shall be conducted in six months and then at yearly intervals as long as no rehabilitation plan has been developed. The commissioner may waive further mandatory evaluations after the second evaluation if he determines in a case that evaluations are not likely to accomplish the purposes of this subdivision. If after two years from the date of injury a rehabilitation plan has not been developed, the employer may determine the time of a subsequent evaluation. Those evaluations shall not occur more frequently than once per year and are not mandatory for the employee, unless directed by the commissioner.*

Sec. 27. Minnesota Statutes 1980, Section 176.102, Subdivision 5, is amended to read:

Subd. 5. [ON THE JOB TRAINING.] ~~On the job training is to be given consideration in developing a rehabilitation plan especially where it would produce an economic status similar to that enjoyed prior to disability. When a rehabilitation plan includes on the job training, the employee shall receive compensation while employed in an amount equal to the after tax spendable weekly wage the employee received at the time of the personal injury. This compensation shall be paid in whole or in part by the insurer liable for compensation for the employee's personal injury. The amount of compensation to be paid by this insurer shall be determined in the rehabilitation plan prepared pursuant to this section. Any difference between the amount of compensation the insurer is paying and the after tax wage the employee received at the time of the personal injury shall be paid by the on the job employer, but in no case shall this employer's amount exceed the prevailing wage for the job. After tax wage shall be determined by subtracting federal and state income tax from the employee's gross wage.~~

A rehabilitation plan which includes on the job training shall ~~attempt~~ create an incentive for an *on the job training* employer to hire the employee for on the job training. This incentive ~~may shall~~ be in the form of reducing the ~~on the job training employer's~~ wages paid to the employee ~~by the on the job training employer~~ to a level which is 80 percent or less than the prevailing wage for the job, provided that the total compensation from the insurer, required by this section, and the wages paid by the ~~on the job training employer~~ is not less than the after tax wage received by the employee at the time of the personal injury. ~~The compensation from the insurer and the on the job training employer paid pursuant to this subdivision is in lieu of temporary total disability payments and the additional compensation provided in subdivision 11. The difference between the spendable weekly wage from the preinjury job and spendable weekly wage from the on the job training shall be paid by the employer liable for compensation for the employee's injury but it shall not exceed 100 percent of the statewide average weekly wage at the time of injury. The compensation from the liable employer and the on the job training employer paid according to this subdivision is in lieu of other benefits required to be paid by subdivision 11.~~

Sec. 28. Minnesota Statutes 1980, Section 176.102, Subdivision 6, is amended to read:

Subd. 6. [PLAN, APPROVAL AND APPEAL.] The commissioner of ~~labor and industry~~ shall review and approve, modify or reject rehabilitation plans developed under subdivision 4. ~~Any persons aggrieved by~~ A decision of the commissioner may ~~appeal~~ be appealed to the rehabilitation review panel within

30 days of the commissioner's decision. The decision of the panel may be appealed to the workers' compensation court of appeals. ~~The panel may approve or reject the decision of the commissioner. If it rejects the commissioner's decision it may formulate its own rehabilitation plan.~~

Sec. 29. Minnesota Statutes 1980, Section 176.102, Subdivision 7, is amended to read:

Subd. 7. [PLAN IMPLEMENTATION; REPORTS.] Upon request by the commissioner, ~~insurer or employer, or qualified rehabilitation consultant,~~ medical and rehabilitation reports of an employee's progress under a plan shall be made by the provider of the medical and rehabilitation service to the commissioner of labor and industry, insurer and employer of an ~~employee's progress under a plan.~~

Sec. 30. Minnesota Statutes 1980, Section 176.102, Subdivision 8, is amended to read:

Subd. 8. [PLAN MODIFICATION.] Upon request ~~of to the commissioner by the employer, the insurer, or employee to the commissioner, or the qualified rehabilitation consultant,~~ the plan may be suspended, terminated or altered upon a showing of good cause ~~therefor,~~ including:

- (a) a physical impairment that does not allow the employee to pursue the ~~vocation being trained for rehabilitation plan;~~
- (b) the employee's performance level indicates ~~he cannot complete the plan will not be successfully completed;~~ or
- (c) an employee does not cooperate with a plan.

An employee may request a change in a rehabilitation plan once because he or she feels ~~he is not suited ill-suited~~ for the type of work for which ~~training rehabilitation~~ is being provided if the request is made within 90 days of the start of the plan. Any decision of the commissioner regarding a change in a plan may be appealed to the ~~rehabilitation review panel~~ within 15 days of the decision.

Sec. 31. Minnesota Statutes 1980, Section 176.102, Subdivision 9, is amended to read:

Subd. 9. [PLAN, COSTS.] An employer is liable for the following rehabilitation expenses under this section:

- (a) Cost of ~~vocational~~ rehabilitation ~~diagnosis evaluation~~ and preparation of a plan;
- (b) Cost of all rehabilitation services and supplies necessary for implementation of the plan;
- (c) Reasonable cost of tuition, books and travel; and, in addition, reasonable costs of board ~~and~~, lodging ~~and custodial day care~~ when rehabilitation requires residence away from the employee's customary residence; ~~and~~
- (d) Reasonable costs of travel and daycare during the job interview process;
- (e) Reasonable cost for moving expenses of the employee and family if a job is found in a geographic area beyond reasonable commuting distance after a diligent search within the present community. Relocation shall not be paid

*more than once, and relocation shall not be required if the new job is located within the same standard metropolitan statistical area as the employee's job at the time of injury; and*

(d) (f) Any other expense agreed to be paid.

Sec. 32. Minnesota Statutes 1980, Section 176.102, Subdivision 10, is amended to read:

Subd. 10. [REHABILITATION; CONSULTANTS.] The commissioner shall approve rehabilitation consultants who may propose and implement plans if they satisfy rules promulgated adopted by the commissioner for rehabilitation consultants. A consultant may be an individual or public or private entity, but may not be a vendor of rehabilitation services.

Sec. 33. Minnesota Statutes 1980, Section 176.102, Subdivision 11, is amended to read:

Subd. 11. [COMPENSATION DURING REHABILITATION.] The insurer or employer shall pay up to 156 weeks of compensation during rehabilitation under a plan in an amount equal to 125 percent of the employee's rate for temporary total disability. This payment is in lieu of payment for temporary total, temporary partial, or permanent total disability to which the employee might otherwise be entitled for this period under this chapter, but shall be considered to be the equivalent of temporary total disability for the purposes of section 176.132. If on the job training is part of the rehabilitation program, the weeks during which the insurer or employer pays compensation pursuant to subdivision 5 shall be subtracted from the 156 weeks of retraining compensation which has been paid, if any, pursuant to this subdivision. This subdivision shall not apply to retraining benefits for which liability has been established prior to July 1, 1979. The commissioner shall determine eligibility for rehabilitation services and benefits while the employee is participating in a rehabilitation plan. Rehabilitation benefits shall include payment in an amount equal to the employee's benefit for total or temporary partial disability, whichever is appropriate, and shall be in lieu of the compensation for those disabilities. All rehabilitation benefits payable under chapter 176 shall be discontinued and forfeited for any time during which the employee refuses to submit to any reasonable examinations and evaluative procedures to determine the need for and details of a plan of rehabilitation, or refuses to participate in rehabilitation evaluation as required by this section or does not make a good faith effort to participate in a rehabilitation plan.

Sec. 34. Minnesota Statutes 1980, Section 176.102, is amended by adding a subdivision to read:

Subd. 11a. [BENEFIT DURATION DURING REHABILITATION.] Unless the employee has returned to work, benefits during rehabilitation shall continue as provided in subdivision 11 until the sooner of the following:

(a) The rehabilitation plan has been completed and within 90 days the employer or another employer has offered the employee employment consistent with the skills developed in the rehabilitation plan at a job in which the employee is capable of performing; at which time benefits shall cease or temporary partial disability benefits shall begin, whichever is appropriate; or

(b) The rehabilitation plan has been completed and after 90 days the em-

ployer or another employer has offered the injured employee a job which is within the physical capabilities of the employee, at which time benefits shall cease or temporary partial disability benefits shall begin, whichever is appropriate; or

(c) The rehabilitation plan has been completed and 180 days have elapsed at which time benefits shall cease unless the employee is eligible for permanent partial benefits for at least 50 weeks. If the employee is eligible, benefits shall be payable for an additional period of time until either an offer of employment is made to the employee which is within the employee's physical capabilities or the time established for the impairment percentages shown below has elapsed.

<i>Weeks of Permanent Partial Disability After Completion of Rehabilitation Plan</i>	<i>Maximum Benefit Period After Completion of Rehabilitation Plan</i>
<i>50 - 99 weeks</i>	<i>6 months</i>
<i>100 - 199 weeks</i>	<i>12 months</i>
<i>200 - 299 weeks</i>	<i>24 months</i>
<i>300 weeks or more</i>	<i>duration of the disability</i>

Sec. 35. Minnesota Statutes 1980, Section 176.102, Subdivision 12, is amended to read:

Subd. 12. [RULES.] The commissioner shall ~~promulgate~~ *adopt* rules necessary to implement this section including rules relating to qualifications necessary to be an approved rehabilitation consultant and rules relating to the requirements to be an approved registered vendor of rehabilitation services.

Sec. 36. [176.103] [ADDITIONAL DISABILITY BENEFIT.]

*Subdivision 1. Any employee who, as a result of personal injury, has not returned to employment within two years following the date of the personal injury and is totally disabled shall be eligible to apply to the department of labor and industry for additional benefits if each of the following conditions exist:*

*(a) The employee has been evaluated for rehabilitation as provided by section 176.102 and the determination has been made and approved by the department that, as a result of the injury, it is highly improbable that the employee can be sufficiently rehabilitated to allow a return to work;*

*(b) The employee's weekly wage at the time of injury was at a level that did not represent the weekly wage that could be reasonably expected by the employee in the future due to substantial evidence supportive of a likelihood that the employee would not have remained in employment which provided a weekly wage similar to the weekly wage at the time of injury because of a demonstrated commitment to enter an occupation different from the one in which the employee was employed at the time of injury. The burden of proof for establishing this shall be with the employee; and*

*(c) The employee shall demonstrate substantial financial need.*

*Subd. 2. An application shall be considered by a workers' compensation judge who shall consider the evidence and determine the employee's eligibility for additional benefits based on the evidence. If the workers' compensation judge determines that the employee is eligible for additional benefits, the judge*

shall order that an amount shall be paid to the employee from the special compensation fund, subject to the following restrictions:

(a) Any additional benefit ordered shall be paid on a periodic basis so as to coincide with the ongoing benefit paid by the employer and shall commence at a date following the order; and

(b) The total workers' compensation benefit paid to the employee shall not exceed the statewide average weekly wage in effect at the time of injury, subject to the adjustment pursuant to section 176.645.

Sec. 37. Minnesota Statutes 1980, Section 176.105, is amended by adding a subdivision to read:

*Subd. 4. The commissioner shall by rule adopt procedures to determine the percentage of a partial loss of function of a part of the body described in section 176.101, subdivision 3.*

*Temporary rules shall be adopted for this purpose for use beginning January 1, 1983. Prior to the adoption of these rules, at least two public hearings shall be held by the commissioner of labor and industry, in addition to the requirements of section 15.0412, subdivision 5. Notwithstanding the provisions of section 15.0412, subdivision 5, the temporary rules adopted under this subdivision shall be effective for a period of up to 18 months unless earlier superseded by the permanent rules required by this subdivision.*

*If permanent rules have not been adopted by July 1, 1984, the American Medical Association's Guides to the Evaluation of Permanent Impairment, published by the American Medical Association and copyrighted in 1977, shall serve as the rules for the percentage of partial loss of function of the scheduled part of the body and shall be effective until permanent rules are adopted.*

*The rules adopted pursuant to this subdivision shall:*

(a) *Promote objectivity and consistency in the evaluation of permanent functional impairment due to personal injury and in the assignment of a numerical rating to the functional impairment;*

(b) *Establish relative values of the various partial disabilities with the maximum number of weeks for the total disability of a body part fixed in section 176.101, subdivision 3.*

(c) *Establish a procedure such that a discreet number of percentage ratings for a partial disability are possible between zero and one hundred, providing that the number of possible rating values shall not exceed 20.*

*The commissioner shall consider the following factors in developing rules for the evaluation and rating of functional disability and the schedule for permanent partial disability benefits:*

(a) *The workability and simplicity of the procedures with respect to the evaluation of functional disability;*

(b) *The consistency of the procedures with accepted medical standards;*

(c) *Rules, guidelines, and schedules that exist in other states or that have been developed by professional associations or organizations and are related to the evaluation of permanent partial disability or to a schedule of benefits for functional disability;*

(d) *The effect the rules may have on reducing litigation;*

(e) *The treatment of pre-existing conditions with respect to the evaluation of permanent functional disability provided that any pre-existing conditions must be objectively determined by medical evidence.*

*If an employee, due to personal injury, suffers permanent functional disability of more than one scheduled body part, the total number of weeks of benefit to which the employee is entitled shall be determined by the following formula so as to ensure that the maximum number of weeks payable for all functional disability combined shall not exceed 500 weeks:*

$$A + [1.0 - (A/500)]B$$

where:

*A = the number of weeks awardable for the permanent partial disability to the first body part, and*

*B = the number of weeks otherwise awardable for the second body part.*

*For further permanent partial disabilities, the above formula shall be applied providing that A will be the total number of weeks of permanent partial disability benefits awarded for all permanent partial disabilities for which benefits were determined prior to consideration of the current disability to the first body part and B will be the number of weeks otherwise payable for the current disability to the second body part.*

Sec. 38. Minnesota Statutes 1980, Section 176.111, Subdivision 1, is amended to read:

Subdivision 1. [PERSONS WHOLLY DEPENDENT, PRESUMPTION.] For the purposes of this chapter the following persons are conclusively presumed to be wholly dependent:

(a) spouse, unless it be is shown that the spouse and decedent were voluntarily living apart at the time of the injury or death; or unless it is shown that the deceased employee's average weekly wage at the time of personal injury was less than 35 percent of the sum of the average weekly wages of the employee and spouse at the time of personal injury, in which case the benefit due under this section shall be the benefit otherwise payable multiplied by the percentage established below in column 2:

Column 1	Column 2
Percent Earned by the Deceased Employee of the Sum of the Average Weekly Wages of the Injured Employee and Spouse at the Time of Injury	Percent of Benefits Otherwise Payable
30-34	95
25-29	90
20-24	80
15-19	70
10-14	50
9 or less	25

(b) children under 18 years of age, or a child under the age of 25 22 years who is regularly attending as a full time student at a high school, college, or



university, or regularly attending as a full time student in a course of vocational or technical training.

Sec. 39. Minnesota Statutes 1980, Section 176.111, is amended by adding a subdivision to read:

*Subd. 1a. [SURVIVING SPOUSE; REHABILITATION.] Upon the request of a qualified dependent surviving spouse, rehabilitation services shall be provided by the employer. For the purposes of this subdivision a qualified dependent surviving spouse is a dependent surviving spouse who is in need of rehabilitation assistance to become self-supporting. The rehabilitation services shall be limited to those in section 176.102, subdivision 9. Rehabilitation services need not be provided if the request for the service is not received within two years of the employee's death or the youngest dependent child becoming 18 years of age, whichever is later.*

Sec. 40. Minnesota Statutes 1980, Section 176.111, is amended by adding a subdivision to read:

*Subd. 9. [BENEFIT PERIOD; COMMENCEMENT.] The ten year periods enumerated in subdivisions 7 and 8 shall begin to be counted upon the 18th birthday of the youngest surviving dependent child.*

Sec. 41. Minnesota Statutes 1980, Section 176.111, Subdivision 18, is amended to read:

*Subd. 18. [BURIAL EXPENSE.] In all cases where death results to an employee from a personal injury arising out of and in the course of employment, the employer shall pay the expense of burial, not exceeding in amount \$1,000 \$2,500. In case any dispute arises as to the reasonable value of the services rendered in connection with the burial, such reasonable value shall be determined and approved by the commissioner of the department of labor and industry, a compensation judge, or workers' compensation court of appeals, in cases upon appeal, before payment, after such reasonable notice to interested parties as is required by the commissioner of the department of labor and industry. If the deceased leave no dependents, no compensation is payable, except as provided by this chapter.*

Sec. 42. Minnesota Statutes 1981 Supplement, Section 176.111, Subdivision 21, is amended to read:

*Subd. 21. [DEATH, BENEFITS; COORDINATION WITH GOVERNMENTAL SURVIVOR BENEFITS OFFSETS.] 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. Benefits from any governmental old age or survivors benefits program for which the dependent spouse or dependent child are eligible based in part or in full upon the employment experience of the deceased employee shall reduce benefits otherwise payable under this section, 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. Each dollar received from these programs shall result in a reduction of the death benefit payable by one dollar. If a dependent may be eligible for these benefits but has not made application then the employer shall notify the dependent of the possible eligibility and if no application has been made within 30 days of the notice, the payment of benefits under this chapter shall be interrupted until the application is made. These benefits shall be paid in full after the application has been made.

Sec. 43. Minnesota Statutes 1980, Section 176.111, is amended by adding a subdivision to read:

*Subd. 22. [HEALTH INSURANCE COVERAGE.] In any case where a dependent is eligible to receive benefits under this section and was also covered under an accident and health insurance policy or under a contract issued under chapter 62C or 62D or any plan defined in section 62E.02, subdivision 22, at the time of the employee's death, and where the cost of that coverage was partially or totally paid by the employer, the employer shall continue to pay the same proportion of the cost of maintaining coverage under that contract or plan for a period of one year, provided the dependent pays any proportion of the premium which was payable by the employee.*

Sec. 44. Minnesota Statutes 1980, Section 176.121, is amended to read:

176.121 [COMMENCEMENT OF COMPENSATION.]

In cases of temporary total or temporary partial disability no compensation shall be allowed for the three days after the disability commenced, except as provided by section 176.135, nor in any case unless the employer has actual knowledge of the injury or is notified thereof within the period specified in section 176.141. If such disability continues for ~~40~~ seven days or longer, such compensation shall be computed from the commencement of the disability.

Sec. 45. Minnesota Statutes 1980, Section 176.131, Subdivision 1, is amended to read:

Subdivision 1. If an employee incurs personal injury and suffers disability that is substantially greater, because of a pre-existing physical impairment, than what would have resulted from the personal injury alone, the employer shall pay all compensation provided by this chapter, but he shall be reimbursed from the special compensation fund for all compensation paid in excess of 52 weeks of monetary benefits and \$2,000 in medical expenses, subject to the following exceptions:

If the personal injury alone results in permanent partial disability to a

scheduled member under section 176.101, the monetary and medical expense limitations shall not apply and the employer shall be liable for ~~such~~ compensation, medical expense, and ~~retraining~~ *rehabilitation* attributable to the permanent partial disability, and he may be reimbursed from the compensation fund only for compensation paid in excess of ~~such~~ *the* disability.

Sec. 46. Minnesota Statutes 1980, Section 176.131, Subdivision 1a, is amended to read:

Subd. 1a. If an employee is employed in an on the job ~~retraining~~ *training* program pursuant to section 176.102 and the employee incurs a personal injury that aggravates the personal injury for which the employee has been certified to enter the on the job ~~retraining~~ *training* program, the on the job training employer shall pay the medical expenses and ~~compensation~~ *benefits* required by this chapter, but shall be reimbursed from the special compensation fund for the ~~compensation~~ *benefits* and medical expense that is *are* attributable to the aggravated injury. The employer, at the time of the personal injury for which the employee has been certified for ~~retraining~~ *rehabilitation*, is liable for the portion of the disability that is attributable to that injury.

Sec. 47. Minnesota Statutes 1980, Section 176.131, Subdivision 8, is amended to read:

Subd. 8. As used in this section the following terms have the meanings given them:

“Physical impairment” means any physical or mental condition that is permanent in nature, whether congenital or due to injury, disease or surgery and which is or is likely to be a hindrance or obstacle to obtaining employment provided that, physical impairment as used herein is limited to the following:

- (a) Epilepsy,
- (b) Diabetes,
- (c) Hemophilia,
- (d) Cardiac disease,
- (e) Partial or entire absence of thumb, finger, hand, foot, arm or leg,
- (f) Lack of sight in one or both eyes or vision in either eye not correctable to 20/40,
- (g) Residual disability from poliomyelitis,
- (h) Cerebral Palsy,
- (i) Multiple Sclerosis,
- (j) Parkinson's disease,
- (k) Cerebral vascular accident,
- (l) Chronic Osteomyelitis,
- (m) Muscular Dystrophy,
- (n) Thrombophlebitis,
- (o) Any other physical impairment for which at least 50 weeks or more of weekly benefits would be payable as permanent partial disability if the physical

impairment were evaluated according to standards used in workers' compensation proceedings, and

(p) Any other physical impairments of a permanent nature which the workers' compensation court of appeals may by rule prescribe;

"Compensation" has the meaning defined in section 176.011;

"Employer" includes insurer;

"Disability" means, unless otherwise indicated, any condition causing either temporary total, temporary partial, permanent total, permanent partial, death, medical expense, or ~~retraining~~ *rehabilitation*.

Sec. 48. Minnesota Statutes 1981 Supplement, Section 176.131, Subdivision 10, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 20, 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 the sum of ~~\$5,000~~ \$25,000 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~~ \$25,000 in monetary benefits of dependency compensation, the employer shall pay to the commissioner for the benefit of the special compensation fund the difference between the amounts actually paid for the dependency benefits and ~~\$5,000~~ \$25,000; but in no event shall the employer pay the commissioner 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~~ Each insurer, self-insurer and group self-insurer shall, in addition to compensation provided therein, annually pay to the commissioner for the benefit of the special compensation fund a lump sum without interest deduction equal to 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.

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 percentage of its standard earned premium as determined by the commissioner of insurance for the prior year. The commissioner of insurance shall provide the commissioner with the standard earned premium of each insurer, self-insurer and group self-insurer by April 15. The commissioner shall inform each insurer, self-insurer and group self-insurer of the amount due by June 1.

In determining the percentage of the total compensation *standard earned*

premium 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 of insurance 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 estimate the total claims expected to be made against the special fund for the period beginning July 1 and shall divide that number by the total standard earned premium reported to the commissioner of insurance. The percentage due July 1, 1982, and July 1, 1983, shall be six and one-half percent. The assessment due July 1, 1982, shall be in lieu of any other assessment authorized for 1982 by this section and any other assessment is void and shall be of no effect. The maximum increase in any year shall be two percent.

Sums paid to the commissioner 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, compensation judges, the workers' compensation court of appeals or district court in cases before 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, 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.

The attorney general shall be the attorney for the special compensation fund and shall be its legal advisor and shall represent the fund in actions by it or against it before the division, a compensation judge, the workers' compensation court of appeals or district court or the supreme court.

The accounting, investigation, and legal costs necessary for the administra-

tion of the programs financed by the special compensation fund shall be paid 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. 49. Minnesota Statutes 1980, Section 176.132, Subdivision 1, is amended to read:

Subdivision 1. [ELIGIBLE RECIPIENTS.] An employee who has suffered personal injury *prior to December 31, 1980* for which benefits are payable under section 176.101 and who has been totally disabled for more than 104 weeks shall be eligible for supplementary benefits as hereinafter prescribed after 104 weeks have elapsed and for the remainder of his total disablement *except, that an employee who was injured after October 1, 1975, and who is not eligible to receive supplementary benefits on January 1, 1983, shall not receive supplementary benefits.* Regardless of the number of weeks of total disability, no totally disabled person shall be ineligible for supplementary benefits after four years have elapsed since the first date of his total disability, provided that all periods of disability are caused by the same injury.

Sec. 50. Minnesota Statutes 1981 Supplement, Section 176.132, Subdivision 2, is amended to read:

Subd. 2. [AMOUNT.] (a) The supplementary benefit payable under this section *as of January 1, 1983*, 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~~ *\$184. The figure \$184 shall be adjusted pursuant to section 176.645.*

(b) In the event an eligible recipient is currently receiving no compensation benefits or is receiving a reduced level of compensation benefits 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 pay the difference between the reduced level of benefits and \$184. The figure \$184 shall be adjusted pursuant to section 176.645.*

(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~~ *\$184. The figure \$184 shall be*

*adjusted pursuant to section 176.645.*

(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. 51. Minnesota Statutes 1981 Supplement, Section 176.133, is amended to read:

176.133 [ATTORNEY'S FEES, SUPPLEMENTARY BENEFITS.]

*Attorney's No attorney fees may shall 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 if unless the case solely involves the obtaining of supplementary workers' compensation benefits. When such attorney 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 of the benefit. The fees shall be determined according to section 176.081.*

Sec. 52. Minnesota Statutes 1980, Section 176.135, Subdivision 1a, is amended to read:

Subd. 1a. [NON-EMERGENCY SURGERY; SECOND SURGICAL OPINION.] The employer is required to furnish surgical treatment pursuant to subdivision 1 only after the employee has obtained two surgical opinions concerning whether the surgery is reasonably required to cure and relieve the effects of the personal injury or occupational disease. If at least one of the opinions affirms that the surgery is reasonably required, the employee may choose to undergo the surgery at the employer's expense. A second surgical opinion is not required in cases of emergency surgery or when the employer and employee agree that the opinion is not necessary.

Sec. 53. Minnesota Statutes 1981 Supplement, Section 176.136, is amended to read:

176.136 [MEDICAL FEE REVIEW.]

The commissioner of 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, no payment 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 of insurance shall contract with a review organization as defined in section 145.61 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 establish by rule standards and a procedure for determining whether a provider of health care services, including a provider of medical, chiropractic, podiatric, surgical, hospital or other services, is performing procedures or providing services at a level or with a frequency that is excessive, based upon accepted medical standards for quality health care.*

*If it is determined by the commissioner of insurance that the level or frequency of procedures or services of a provider is excessive according to the standards established by the rules, the provider shall not be paid for any excessive procedures or services by an insurer, self-insurer or group self-insurer. In addition, the provider shall not be reimbursed or attempt to collect reimbursement for the excessive procedures or services from any other source, including the employee, another insurer, the special compensation fund or any government program.*

*A provider who is determined by the commissioner of insurance to be consistently performing procedures or providing services at an excessive level shall be prohibited from receiving any further reimbursement for procedures or services provided pursuant to chapter 176. A prohibition imposed on a provider pursuant to this clause shall be grounds for revocation of the provider's license or certificate of registration to provide health care in Minnesota by the commissioner of health or other appropriate licensing body.*

*The rules adopted pursuant to this section shall require insurers, self-insurers and group self-insurers to report a reasonable amount of medical data necessary to implement the procedures required by this section.*

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~~ section. 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. 54. [176.138] [MEDICAL DATA; RELEASE TO INSURER AND EMPLOYER.]

*For the purpose of facilitating the prompt determination and delivery of benefits payable under chapter 176, data describing the medical condition of an employee which are directly related to the personal injury shall be made available to the employer. Notwithstanding sections 15.163 and 15.1698 or any other laws related to the privacy of medical data, the release of those data to the employer or insurer shall not require prior approval, written or otherwise, on the part of the employee. Upon receiving written request from the employer or insurer, the data directly related to the current medical condition of an employee suffering a personal injury shall be provided, by the holder of the data, to the employer. The data shall be provided within seven working days of receiving the request. The employer or insurer shall inform the employee of the request for these data at the time it is made and shall not release these data to anyone other than the employee.*

Sec. 55. [176.146] [NOTICE TO INSURERS; PENALTY.]

*The employer of any employee who suffers a personal injury shall inform the insurer of the occurrence of the injury within three days of notice of the injury. Notice shall be made on forms provided by the insurer. Consistent failure by the employer to provide notice shall entitle the insurer to cancel, upon 15 days notice to the employer, any effective policy insuring the employer's liability under chapter 176, at which time any unearned premium paid by the employer to the insurer shall be returned to the employer.*

Sec. 56. Minnesota Statutes 1981 Supplement, Section 176.182, is amended to read:

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 for the doing of any public work before receiving from all other contracting parties acceptable evidence of compliance with the workers' compensation insurance coverage requirement of section 176.181, subdivision 2.

*This section shall not be construed to create any liability on the part of the state or any governmental subdivision to pay workers' compensation benefits or to indemnify the special compensation fund, an employer, or insurer who pays workers' compensation benefits.*

Sec. 57. Minnesota Statutes 1981 Supplement, Section 176.221, Subdivision 2, is amended to read:

Subd. 2. [GRANT OF EXTENSION.] Upon application made within 30 days after the date on which the first payment was due, the commissioner may grant an extension of time within which to determine liability. The extension shall not exceed 30 days. *No grant of an extension of time by the commissioner shall relieve the employer of the obligation to commence the payment of benefits within 14 days as required by subdivision 1.*

Sec. 58. Minnesota Statutes 1981 Supplement, Section 176.221, Subdivision 3, is amended to read:

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~~ *rehabilitation* expenses under 176.102, subdivision 9, or to file a denial of liability, or to request an extension of time within 30 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 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.

Sec. 59. Minnesota Statutes 1981 Supplement, Section 176.221, Subdivision 7, is amended to read:

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 *greater of the rate of eight 18* percent per annum *or the rate set by section 549.09, subdivision 1*, from the due date to the date the payment is made.

Sec. 60. Minnesota Statutes 1980, Section 176.225, Subdivision 1, is amended to read:

Subdivision 1. [GROUNDS.] Upon reasonable notice and hearing or opportunity to be heard, the division or upon appeal, the workers' compensation court of appeals or the supreme court may award compensation, in addition to the total amount of compensation award, of up to 25 percent of that total amount where an employer or insurer has:

- (a) instituted a proceeding or interposed a defense which does not present a real controversy but which is frivolous or for the purpose of delay; or,
- (b) unreasonably or vexatiously delayed payment; or,
- (c) neglected or refused to pay compensation; or,
- (d) intentionally underpaid compensation.

*In any case of an award made pursuant to this subdivision, there shall be added to the compensation award an amount equal to 18 percent per annum interest computed from the date of injury.*

Sec. 61. Minnesota Statutes 1981 Supplement, Section 176.225, Subdivision 5, is amended to read:

Subd. 5. [PENALTY.] Where the employer is guilty of inexcusable delay in

making payments, *including but not limited to the grounds listed in clauses (a) to (d) of subdivision 1*, 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~~ 18 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. 62. Minnesota Statutes 1980, Section 176.231, Subdivision 10, is amended to read:

Subd. 10. [FAILURE TO FILE REQUIRED REPORT, PENALTY.] Where an employer, physician, ~~or surgeon~~ *or health provider* has failed to file with the commissioner of the department of labor and industry any report required by this section in the manner and within the time limitations prescribed, he shall forfeit to the state ~~\$50~~ \$200 for each such failure.

The attorney general shall sue in a civil action to collect this penalty upon notification of the matter by the commissioner of the department of labor and industry. The commissioner of the department of labor and industry shall certify to the attorney general each failure to report immediately upon its occurrence.

Penalties collected by the state under this subdivision shall be paid into the state treasury.

Sec. 63. Minnesota Statutes 1980, Section 176.235, is amended by adding a subdivision to read:

Subd. 3. [NOTICE TO EMPLOYEE OF RIGHTS AND DUTIES.] *Upon notice that an employee has suffered a personal injury, the employer shall provide the employee with a brochure or letter, which shall be prepared and provided by the insurer or group self insurer, if any, explaining the rights and obligations of the employee and employer, the assistance available to the employee, and the operation of the workers' compensation system. The brochure shall meet the readability standards of chapter 72C.*

*In addition, the brochure or letter shall include the names of persons the employee may contact if questions or problems arise regarding the employee's rights or obligations under chapter 176. This brochure or letter shall be provided to the employee within seven days after the employer becomes aware of the personal injury. Any brochure shall be approved by the commissioner of insurance prior to use. The workers' compensation advisory council shall prepare a prototype brochure. The workers' compensation insurance rating association of Minnesota may prepare and submit brochures for approval on behalf of its members.*

Sec. 64. [176.236] [EMPLOYER REEMPLOYMENT RESPONSIBILITY.]

*Subdivision 1. [TARGET DATE.] Each employer who employs a worker who becomes disabled due to a personal injury shall be responsible for the reemployment of that employee as required by this section. The employer shall,*

as soon as possible following the personal injury, establish in conjunction with the injured employee a target date upon which the injured worker will return to work.

Subd. 2. [JOB ASSISTANCE.] *The employer shall, if possible, provide a job to the employee on or before the return to work target date which is consistent with any physical limitations of the employee. The employer shall not refuse to offer employment for any reason which is based on the employee's conduct prior to the personal injury.*

Subd. 3. [ASSISTANCE PLAN.] *If the employer is unable to provide a job, the employer shall, as soon as possible, but at least four weeks prior to the return to work target date, inform the employee that no job will be available. The employer shall also provide assistance to the employee in finding another job which is within the physical capabilities of the employee. A plan for assistance shall be filed with the commissioner at the time the employer informs the employee that no offer of employment can be made. A plan for approval filed pursuant to section 176.102 shall be sufficient.*

Subd. 4. [PENALTY.] *An employer failing to provide reemployment or to provide assistance as required in subdivision 3 shall be required to pay to the special compensation fund an amount equal to all of the benefits paid as required in section 176.101 for the first year following the date of injury. This amount shall not be reimbursed by an insurer or group self-insurer unless the failure of the employer to provide assistance results from the failure of the insurer or group self-insurer to carry out its responsibilities under its contract with the employer.*

Subd. 5. [RULES.] *The commissioner shall, by rule, establish the minimum provisions of the plan required in subdivision 3.*

Subd. 6. [LIMITATIONS.] *This section shall not create any liabilities or other requirements for the payment of benefits under chapter 176 than are specifically contained within the section.*

Sec. 65. Minnesota Statutes 1980, Section 176.241, Subdivision 4, is amended to read:

Subd. 4. [ORDER.] *When the hearing has been held, and ~~he~~ the evidence has been duly considered ~~the evidence~~, the person who held the hearing shall promptly enter an order directing the payment of further compensation or confirming the termination of compensation. Where the order confirms a termination of compensation, the commissioner of labor and industry shall notify the employer of the action. This notification relieves the employer from further liability for compensation subject to the right of review afforded by this chapter, and to the right of the division to set aside the order at any time prior to the review and grant a new hearing pursuant to this chapter. *Where the order directs the payment of further compensation, the order shall provide that the amount of compensation shall bear interest at the rate of 18 percent per annum computed from the date of the termination of benefits.**

Sec. 66. Minnesota Statutes 1981 Supplement, 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 peti-

tioner presents proof of such fact, the 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 compensation judge may require proof of an alleged fact. If the commissioner 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 compensation judge shall give the petitioner or his attorney written notice of this deficiency. The petitioner may thereupon file another petition as in the case of an original petition.

*If an award is made pursuant to this subdivision, the amount of the award shall include interest on the award at the rate of 18 percent per annum computed from the date compensation was due but not paid.*

Sec. 67. Minnesota Statutes 1981 Supplement, Section 176.391, Subdivision 3, is amended to read:

Subd. 3. [REPORTS.] The report of a physician, surgeon, or other expert shall be filed with the commissioner 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~~.

*Unless otherwise ordered by a compensation judge medical expert testimony shall be offered by report only.*

Sec. 68. Minnesota Statutes 1980, Section 176.641, is amended to read:

176.641 [ACCIDENTS OR INJURIES ARISING PRIOR TO EFFECTIVE DATE.]

All rights and liabilities arising on account of accidents or injuries occurring prior to the taking effect of this chapter shall be governed by the then existing law, *except that the payment of benefits pursuant to section 176.132 on and after the effective date of sections 1 to 67 shall be made according to sections 1 to 67.*

Sec. 69. Minnesota Statutes 1981 Supplement, 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.

*The benefit provided by this section is in addition to any other benefit that a spouse or dependent child is entitled to receive under another state or federal law and notwithstanding any law to the contrary shall not be offset by or against the other benefits.*

Sec. 70. [RATE REDUCTION.]

*Within ten days following final enactment the commissioner of insurance shall order a hearing pursuant to section 79.071, subdivision 1a. Upon completion of this hearing the commissioner shall order a reduction in the schedule of rates of at least 16 percent due to the changes made in this bill. The change shall be effective January 1, 1983. An additional reduction of ten percent shall be applied to the schedule of rates due to the repeal of section 79.211, subdivision 1.*

*Any percentage reduction in the schedule of rates shall include an equal percentage reduction in the profits and expenses available to insurers.*

*Any pending requests for a change in the schedule of rates which are impacted by this bill shall be amended to reflect these changes prior to approval by the commissioner.*

Sec. 71. [STUDY COMMISSION.]

*Subdivision 1. [CREATION.] A study commission is hereby created to study and report on:*

*(a) the organization and operation of the department of labor and industry, workers' compensation division, including but not limited to:*

*(1) the procedures for handling reports of injuries, claims for compensation, notices of discontinuance petitions for hearings related to disputes in connection with claims for compensation, and other matters connected with the department's administration of the law; and*

*(2) the procedures followed for settlement conferences pursuant to section 176.305; and*

*(3) the progress and effect of the computerization of the records and information system of the division;*

*(b) the financial condition of the special compensation fund including any outstanding liabilities of the fund. The study shall reflect a calculation of the ultimate liability and the present value of the ultimate liability based on the following three alternate assumptions of an annual inflation rate: (1) two percent; (2) four percent; and (3) six percent. The cost of the study shall be paid from the assets of the special compensation fund;*

*(c) occupational disease, cumulative trauma and the apportionment of liability for benefits payable under chapter 176 when the personal injury does not arise solely out of and in the course of employment as these issues are related to workers' compensation in Minnesota; and*

*(d) the rehabilitation services of the workers' compensation division, including:*

*(1) the procedures followed with respect to the licensing, qualifications, and*

*background of rehabilitation consultants and rehabilitation vendors utilized in the rehabilitation of injured employees;*

*(2) the administrative conference and settlement conference procedures followed by the division; and*

*(3) the role and effectiveness of the rehabilitation review panel.*

*Subd. 2. [MEMBERS.] The commission shall consist of six members of the house of representatives appointed by the speaker and six members of the senate appointed by the subcommittee on committees.*

*Subd. 3. [REPORT.] The commission shall report its findings and recommendations to the governor and legislature not later than December 15, 1983. The report shall recommend any necessary changes in laws in order to improve the administration of the workers' compensation laws and the delivery of fair, efficient, and effective rehabilitation services to injured employees within the state.*

*Subd. 4. [HEARINGS.] The commission shall hold meetings and hearings at the times and places it designates to accomplish the purposes set forth in this section. It shall select a chairman and other officers from its membership as it deems necessary.*

*Subd. 5. [STAFF AND SERVICES.] The commission shall make use of existing legislative facilities and staff of the house and senate research departments and senate counsel but it may also request the legislative coordinating commission to supply it with additional necessary staff, office space, and administrative services. All additional personnel shall be hired and supervised by the directors of the house and senate research departments and senate counsel. The commission shall have full authority to contract for expert services and opinions relevant to the purposes of this section.*

Sec. 72. Laws 1981, Chapter 346, Section 145, is amended to read:

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; 79.32; 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 176.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2, are repealed.

Sec. 73. [INSTRUCTIONS TO REVISOR.]

*The revisor of statutes is instructed to substitute the words "weekly wage" in place of the words "daily wage" wherever the words "daily wage" appear in chapter 176 and in any other sections of Minnesota Statutes where the words "daily wage" are used in reference to workers' compensation benefits granted pursuant to chapter 176.*

Sec. 74. [REPEALER.]

*Minnesota Statutes 1980, Sections 79.211, Subdivision 1; 79.63, Subdivision 3; 176.011, Subdivisions 14 and 18; 176.095; 176.101, Subdivisions 4 and 5; and 176.105, Subdivisions 2 and 3; Minnesota Statutes 1981 Supple-*

*ment, Sections 176.102, Subdivision 1a; 176.105, Subdivision 1; and 176.152; are repealed.*

Sec. 75. [EFFECTIVE DATE.]

*Sections 1 to 9, 11 to 35, 38 to 47, and 49 to 69 are effective January 1, 1983. Sections 10, 37 and 70 to 74 are effective the day after final enactment. Section 48 is effective retroactive to January 1, 1982."*

Delete the title and insert:

"A bill for an act relating to workers' compensation; changing benefits; requiring notices of injury; providing for rules related to excessive health care services; providing for the release of medical data; regulating supplemental benefits; providing for benefit adjustments; providing for interest on delayed benefit payments; providing for a legislative commission to study various aspects of workers' compensation; defining terms; providing for certain collective bargaining rights of public employees; providing for continuance of certain insurance coverages; providing for deductible workers' compensation insurance policies; clarifying the responsibilities of governmental licensing and contracting agencies regarding workers' compensation insurance; amending Minnesota Statutes 1980, Sections 62A.10, Subdivision 1; 62C.14, by adding a subdivision; 62D.10, by adding a subdivision; 79.25, by adding a subdivision; 147.20; 176.011, Subdivision 3, and by adding subdivisions; 176.021, Subdivision 5, and by adding a subdivision; 176.101, Subdivisions 1, 2, and by adding subdivisions; 176.102, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12, and by adding subdivisions; 176.105, by adding a subdivision; 176.111, Subdivisions 1 and 18, and by adding subdivisions; 176.121; 176.131, Subdivisions 1, 1a, and 8; 176.132, Subdivision 1; 176.135, Subdivision 1a; 176.225, Subdivision 1; 176.231, Subdivision 10; 176.235, by adding a subdivision; 176.241, Subdivision 4; 176.641; Minnesota Statutes 1981 Supplement, Sections 79.25, Subdivision 1; 79.63, Subdivisions 1, 2, and 4; 176.011, Subdivision 9; 176.021, Subdivisions 3 and 3a; 176.101, Subdivision 3; 176.111, Subdivision 21; 176.131, Subdivision 10, as amended; 176.132, Subdivision 2; 176.133; 176.136; 176.182; 176.221, Subdivisions 2, 3, and 7; 176.225, Subdivision 5; 176.331; 176.391, Subdivision 3; and 352E.04; proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.211, Subdivision 1; 79.63, Subdivision 3; 176.011, Subdivisions 14 and 18; 176.095; 176.101, Subdivisions 4 and 5; 176.105, Subdivisions 2 and 3; and Minnesota Statutes 1981 Supplement, Sections 176.102, Subdivision 1a; 176.105, Subdivision 1; and 176.152."

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. 1288: A bill for an act relating to agriculture; creating a family farm finance agency; authorizing the agency to issue bonds and to make loans for the acquisition of farm land; transferring the family farm security program to the agency; appropriating money; amending Minnesota Statutes 1980, Sections 41.51; 41.52, Subdivisions 1 and 10, and by adding subdivisions; 41.54, Subdivisions 1 and 4, and by adding a subdivision; 41.55; 41.57; 41.58, Subdivisions 1 and 3; 41.59, Subdivisions 1 and 2; and 41.60; Minnesota



Statutes 1981 Supplement, Sections 41.52, Subdivisions 5, 8, and 9; 41.54, Subdivision 2; 41.56, Subdivisions 3 and 4; and 41.58, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 41; repealing Minnesota Statutes 1980, Sections 41.53; 41.54, Subdivisions 3 and 5; and 41.56, Subdivisions 5 and 6; and Minnesota Statutes 1981 Supplement, Section 41.56, Subdivisions 1 and 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 25, delete "10" and insert "13"

Page 2, after line 30, insert:

"Sec. 5. Minnesota Statutes 1980, Section 41.52, Subdivision 2, is amended to read:

Subd. 2. "Applicant" means a natural person applying for a family farm ~~security~~ loan, *state loan guarantee, or interest adjustment.*"

Page 3, line 11, delete "15" and insert "18"

Page 3, line 14, delete "15" and insert "18"

Page 4, after line 3, insert:

"Sec. 11. Minnesota Statutes 1981 Supplement, Section 41.52, Subdivision 11, is amended 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~~ *finance agency.*

Sec. 12. Minnesota Statutes 1981 Supplement, Section 41.52, Subdivision 12, is amended 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~~ *state loan guarantee* to applicants."

Page 9, line 22, delete "15" and insert "18"

Page 16, line 5, strike "security"

Page 18, line 5, delete "security"

Page 21, line 28, strike "security"

Page 23, line 27, strike "security"

Page 24, line 15, strike "security"

Page 25, line 10, strike "council and the"

Page 25, line 14, delete "[41.505]" and insert "[41.547]"

Page 26, line 10, delete "15" and insert "18"

Page 26, line 12, delete "[41.528]" and insert "[41.548]"

Page 26, line 15, delete "31" and insert "34" and delete " *clauses (b)*

and" and insert "clause"

Page 27, line 16, delete "17, 18, or 20" and insert "20, 21, or 23"

Page 27, delete lines 19 to 23

Page 27, line 24, delete "occurs first."

Page 28, line 2, delete "31" and insert "34"

Page 28, line 3, delete "clauses (b) and" and insert " clause"

Page 28, line 5, delete "32" and insert "35"

Page 28, line 6, delete "36" and insert "39"

Page 28, line 8, delete "31" and insert "34"

Page 28, line 9, delete "clauses (b) and" and insert " clause"

Page 28, line 20, after "Sections" insert "41.52, Subdivision 3;"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after "1" insert ", 2"

Page 1, line 13, delete "and 9" and insert "9, 11 and 12"

Page 1, line 16, after "Sections" insert "41.52, Subdivision 3;"

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. 1941 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.
1941	1826				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1941 be amended as follows:

Page 1, line 16, delete everything after the period

Page 1, delete line 17

Page 1, line 20, delete everything after "decision"

Page 1, line 21, delete "findings of fact and" and insert " based upon the available evidence which shall include specification of the facts upon which the decision is based and the"

Page 1, line 22, delete "and order"

Page 1, delete lines 24 to 26 and insert:

"A decision denying compensation claimed under this section is not subject to the contested case review procedures of chapter 15 but may be reviewed upon a trial de novo in the county court in the county where the loss occurred. The decision of the county court may be appealed to the district court and supreme court in the same manner as any civil action is appealed. Review in the county court may be obtained by the filing of a petition for review with the clerk

of the county court within 60 days following receipt of a decision under this section. Upon the filing of a petition, the clerk of the county court shall mail a copy thereof to the commissioner and set a time for hearing which shall be held within 90 days of the filing of the petition."

Page 2, delete line 1

And when so amended H.F. No. 1941 will be identical to S.F. No. 1826, and further recommends that H.F. No. 1941 be given its second reading and substituted for S.F. No. 1826, 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. 1572 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.
1572	1504				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1572 be amended as follows:

Page 5, line 2, delete "the patient" and insert "her"

Page 5, line 6, delete "effective"

Page 5 line 7, before the period insert "that is effective"

And when so amended H.F. No. 1572 will be identical to S.F. No. 1504, and further recommends that H.F. No. 1572 be given its second reading and substituted for S.F. No. 1504, 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. 1852 and 2170 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.
1852	1900				
2170	2090				

and that the above Senate Files be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

**SECOND READING OF SENATE BILLS**

S.F. Nos. 2216, 2117, 2033, 1515, 2150, 2081, 1813, 1650, 1915, 1365, 1839, 1712, 1847, 1897, 1450 and 1288 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 2066, 546, 1278, 917, 1915, 1819, 1743, 1799, 438, 1220, 1941, 1572, 1852 and 2170 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mrs. Lantry moved that H.F. No. 1939 be withdrawn from the Committee on Rules and Administration and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 1633. The motion prevailed.

**RECONSIDERATION**

Mr. Tennesen moved that the vote whereby S.F. No. 1865 was passed by the Senate on March 6, 1982, be now reconsidered. The motion prevailed.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Solon moved that H.F. No. 1994 be withdrawn from the Committee on Employment and re-referred to the Committee on Commerce. The motion prevailed.

**RECESS**

Mr. Hanson 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.

**CALL OF THE SENATE**

Mr. Ashbach imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Remaining on the Order of Business of Motions and Resolutions, Mr. Hanson 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. Pehler in the chair.

After some time spent therein, the committee arose, and Mr. Pehler reported that the committee had considered the following:

S.F. Nos. 198, 1723 and H.F. No. 1701, which the committee recommends to pass.

S.F. No. 2010, which the committee recommends be returned to the Committee on Agriculture and Natural Resources.

S.F. No. 1902, which the committee recommends be returned to the Committee on Local Government and Urban Affairs.

S.F. No. 1937, which the committee recommends be returned to the Committee on Local Government and Urban Affairs.

H.F. No. 1902, which the committee recommends to pass with the following amendments offered by Mrs. Lantry, Messrs. Ashbach and Peterson, R.W.:

Mrs. Lantry moved to amend H.F. No. 1902 as follows:

Page 3, after line 3, insert:

“Sec. 3. Laws 1974, Chapter 435, Section 3.151, as amended by Laws 1976, Chapter 7, Section 1, is amended to read:

Sec. 3.151. [RAMSEY COUNTY; COUNTY SURVEYOR; APPROVAL OF PLAT.]

Subdivision 1. [APPOINTMENT.] The Ramsey county board of county commissioners shall appoint a county surveyor.

Subd. 2. [DUTIES.] In addition to the county surveyor's duties provided by general law, he shall approve each tentative plat, subdivision plat ~~and~~, registered land survey *and condominium floor plan* before recording.

Subd. 3. [FEES.] The board of county commissioners shall establish the fees, to be paid by the proprietor of a plat or survey *or the declarant who executed a condominium declaration*, for the approval of the plat ~~or~~, survey *or floor plan* by the county surveyor.

Sec. 4. Minnesota Statutes 1981 Supplement, 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 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 20 day period, the aggrieved party may file with the administrator within the 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 the fee set by the board of Ramsey County commissioners when the demand is for trial by court, ~~plus \$6 additional~~ and the fee as set by the Ramsey County commissioners when the demand is for trial by a jury of six. The above fee is not payable by the county.

#### Sec. 5. [RAMSEY COUNTY MEDICAL FACILITY WATER SYSTEM.]

*Subdivision 1. Ramsey County may issue and sell from time to time general obligation bonds of the county in an aggregate principal amount not to exceed \$5,000,000 to finance the construction, installation, modification or improvement of heating, cooling and domestic hot water systems serving buildings owned in whole or part, operated or maintained by the county or the Ramsey County medical center commission. The county shall pledge its full faith and credit and taxing powers for the payment of the bonds. Except as provided in this section, the bonds shall be issued in accordance with Minnesota Statutes, Chapter 475. The bonds may be issued and sold without submitting the question of the issuance of the bonds to a vote by the people. The bonds shall be in a form and bear interest at the rate that the county prescribes and shall be sold by the county to the bidder with the most favorable bid, after notice of the time and place for the receiving of the bids has been published according to law. The bonds shall not be included in computing the net debt of the county under any law, and the taxes required for payment of the bonds and interest on them shall not be subject to any limitation provided by other law.*

*Subd. 2. In substitution of, but not in addition to, powers granted to Ramsey County in subdivision 1, Ramsey County may levy and collect a tax, not to exceed the lesser of \$5,000,000 or two mills, upon all taxable property in Ramsey County to finance the construction, installation, modification or improvement of heating, cooling and domestic hot water systems serving buildings owned in whole or part, operated or maintained by the county or Ramsey County medical center commission. A levy made pursuant to this subdivision shall not be subject to any limitation provided by other law."*

Page 3, line 5, delete "This act is" and insert "Sections 1, 2, 3, and 5 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, before the period, insert "; providing for certain duties of the county surveyor; establishing certain fees; providing for the removal of a cause of action from conciliation court to municipal court; allowing the county to issue and sell certain bonds for certain hot water systems; allowing the county to levy and collect a tax upon all taxable property in the county for the purpose of financing certain hot water systems; amending Minnesota Statutes 1981 Supplement, Section 488A.34, Subdivision 2; and Laws 1974, Chapter 435, Section 3.151, as amended"

Mr. Ashbach moved to amend the Lantry amendment to H.F. No. 1902 as follows:

Page 3 of the amendment, after line 15, insert:

*"Subd. 3. The bonds described in subdivision 1 may not be issued and the tax described in subdivision 2 may not be levied until construction is commenced on a district heating system in St. Paul which is designed for heating or cooling or domestic hot water service to one or more buildings owned in whole or part, operated or maintained by the county or the Ramsey County Medical Center Commission."*

The motion prevailed. So the amendment to the Lantry amendment was adopted.

Mrs. Lantry moved to amend the Lantry amendment to H.F. No. 1902 as follows:

Page 1, delete section 3

Page 3, line 17, delete "3."

Renumber the sections in sequence

Amend the title amendment as follows:

Page 3, line 28, delete everything after "2"

Page 3, delete line 29

The motion prevailed. So the amendment to the Lantry amendment was adopted.

The question recurred on the Lantry amendment, as amended.

The motion prevailed. So the amendment, as amended, was adopted.

Mr. Peterson, R.W. moved to amend H.F. No. 1902 as follows:

Page 1, line 13, delete everything after the comma

Page 1, delete line 14

Page 1, line 15, delete everything before "and"

The motion prevailed. So the amendment was adopted.

S.F. No. 2051, which the committee recommends to pass with the following amendment offered by Mr. Wegener:

Page 1, line 22, before the semicolon insert *"and the phrase 'producing products of agriculture' does not include acquiring agricultural land"*

Page 3, delete lines 11 to 14 and insert:

*"'Farm business' means a business entity engaged in farming, agricultural production or processing, or storage of agricultural products, which otherwise qualifies as a small business.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 362.50, Subdivision 9, is amended to read:

Subd. 9. "Business loan" means a loan, other than a pollution control loan, to the owner of a small business for the interim or long term financing of capital expenditures for the acquisition or improvement of land, acquisition, construction, removal or improvement of buildings, or acquisition and installation

of fixtures and equipment useful for the conduct of the business. "Farm loan" means a loan to a farm business for the acquisition, installation, improvement, construction or removal of buildings, or acquisition and installation of fixtures or equipment, useful for the conduct of a farm business.

Sec. 4. Minnesota Statutes 1980, Section 362.52, Subdivision 3, is amended to read:

Subd. 3. The agency may make business loans or farm loans not exceeding \$100,000 in principal amount, provided that each such loan shall be made only from the proceeds of a bond or note sold and issued to a financial institution, payable exclusively from the repayments of principal and interest on the loan, which shall be assigned to and serviced by the financial institution."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "changing"

Page 1, delete line 4

Page 1, line 5, delete "purpose of" and insert "providing for"

Page 1, line 5, before the semicolon insert "to a farm business"

Page 1, line 6, delete "Section" and insert "Sections 362.52, Subdivision 3;"

Page 1, line 8, delete "Subdivision" and insert "Subdivisions"

Page 1, line 8, before the period insert "and 9"

The motion prevailed. So the amendment was adopted.

H.F. No. 1625, which the committee recommends to pass, after the following motions:

Mr. Moe, D.M. moved to amend H.F. No. 1625 as follows:

Pages 1 and 2, delete section 2

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "Subdivisions" and insert "Subdivision" and delete "and 1a"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 30, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Kamrath	Olhoft	Taylor
Benson	Dieterich	Knoll	Peterson, R. W.	Tennessee
Berg	Frank	Kronebusch	Petty	Waldorf
Bernhagen	Frederick	Menning	Ramstad	
Brataas	Frederickson	Merriam	Rennecke	
Dahl	Hanson	Moe, D. M.	Rued	

Those who voted in the negative were:

Berglin	Johnson	Pehler	Setzepfandt	Stokowski
Bertram	Kroening	Penny	Sieloff	Stumpf
Chmielewski	Lantry	Peterson, C.C.	Sikorski	Ulland
Davis	Lessard	Peterson, D.L.	Solon	Vega
Dicklich	Lindgren	Purfeerst	Spear	Wegener
Hughes	Luther	Schmitz	Stern	Willer



The motion did not prevail. So the amendment was not adopted.

Ms. Berglin moved to amend H.F. No. 1625 as follows:

Page 1, lines 26 and 27, reinstate the stricken language

Page 2, line 1, reinstate the stricken language and after "service" insert "*and who retires prior to July 1, 1982, or who retires subsequent to June 30, 1985, or any person*"

Page 2, line 2, strike "is" and insert "*and who retires subsequent to June 30, 1982, but prior to July 1, 1985, shall be*"

Page 2, delete section 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "; repealing" and insert a period

Page 1, delete lines 7 and 8

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 6 and nays 53, as follows:

Those who voted in the affirmative were:

Berglin	Merriam	Moe, D. M.	Petty	Spear
Dieterich				

Those who voted in the negative were:

Ashbach	Davis	Kronebusch	Peterson, D. L.	Stokowski
Bang	Dicklich	Lantry	Peterson, R. W.	Stumpf
Belanger	Engler	Lessard	Purfeerst	Taylor
Benson	Frank	Lindgren	Ramstad	Tennessee
Berg	Frederick	Luther	Renneke	Ulland
Bernhagen	Frederickson	Menning	Rued	Vega
Bertram	Hanson	Moe, R. D.	Schmitz	Waldorf
Brataas	Hughes	Olhoft	Setzepfandt	Wegener
Chmielewski	Johnson	Pehler	Sieloff	Willet
Dahl	Kamrath	Penny	Solon	
Davies	Kroening	Peterson, C. C.	Stern	

The motion did not prevail. So the amendment was not adopted.

The question was taken on the recommendation to pass H.F. No. 1625.

The roll was called, and there were yeas 37 and nays 19, as follows:

Those who voted in the affirmative were:

Belanger	Frank	Lindgren	Purfeerst	Stokowski
Benson	Hanson	Luther	Ramstad	Stumpf
Bertram	Hughes	Menning	Schmitz	Ulland
Chmielewski	Johnson	Moe, R. D.	Setzepfandt	Vega
Dahl	Knoll	Pehler	Sieloff	Willet
Davis	Kroening	Penny	Solon	
Dicklich	Lantry	Peterson, C. C.	Spear	
Engler	Lessard	Peterson, D. L.	Stern	

Those who voted in the negative were:

Berg	Dieterich	Kronebusch	Peterson, R. W.	Taylor
Bernhagen	Frederick	Merriam	Petty	Tennessee
Brataas	Frederickson	Moe, D. M.	Renneke	Waldorf
Davies	Kamrath	Olhoft	Rued	

The motion prevailed. So H.F. No. 1625 was recommended to pass.

S.F. No. 1948, which the committee recommends to pass with the following amendment offered by Mr. Luther:

Page 1, line 9, before "In" insert "*Subdivision 1.*" and delete "*furtherance of*" and insert "*interpreting*"

Page 1, line 10, after "398," insert "*and notwithstanding any other law to the contrary,*"

Page 1, line 11, after "may" insert "*not*"

Page 1, line 13, delete "*dams*" and insert "*any dam*" and delete "*or controlled*"

Page 1, line 14, delete everything after the period

Page 1, line 15, delete everything before "In" and insert:

"*Subd. 2.*"

Page 1, line 18, delete "*foregoing*" and after "*authority*" insert "*prohibited by section 1, subdivision 1,*"

Page 1, line 21, delete "*include*" and insert "*be limited to*"

Page 1, line 21, after "in" insert "*this*" and after "section" insert "*and in sections 2 and*"

Page 1, line 23, after the period, insert "*The agreement shall provide that it shall be amended from time to time in order to interpret and apply these principles, by consent of the parties; or if agreement is not reached, pursuant to section 3, subdivision 4.*"

Page 3, line 4, after "*determined*" insert "*after the feasibility study has been completed and*"

Page 3, line 6, after "*domain*" insert "*, and the value of the property contributed shall be computed as if its highest and best use is for the production of hydroelectric power*"

Page 3, line 21, before "*This*" insert "*Section 1, subdivision 1, of this act shall be effective the day after final enactment. The remaining provisions of*"

Page 3, line 21, delete "*is*" and insert "*shall be*"

Page 3, line 26, delete "*3 and*" and insert "*1*"

Page 3, line 27, delete everything before "*before*"

Page 3, line 28, delete "*August*" and insert "*May*"

Page 3, line 28, after "*conditions*" insert "*, except for section 1, subdivision 1,*"

The motion prevailed. So the amendment was adopted.

H.F. No. 1697, which the committee recommends to pass with the following amendment offered by Mr. Dicklich:

Amend H.F. No. 1697, as amended pursuant to Rule 49, adopted by the Senate March 4, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1628.)

Page 4, line 30, delete "*from amending, modifying or revoking*" and insert "*to amend, modify, or revoke*"

Page 4, line 31, delete "*substituting*" and insert "*substitute*"

The motion prevailed. So the amendment was adopted.

H.F. No. 2098, which the committee recommends to pass, subject to the following motion:

Mr. Penny moved that the amendment made to H.F. No. 2098 by the Committee on Rules and Administration in the report adopted March 4, 1982, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S.F. No. 1965, which the committee recommends progress subject to the following motions:

Mr. Merriam moved to amend S.F. No. 1965 as follows:

Page 4, line 9, delete "*Before*" and insert "*In*"

Page 4, line 9, after "*approving*" insert "*or disapproving*"

Page 4, line 9, after "*shall*" insert "*only*"

Page 4, lines 9, 11, and 12, delete "*that*" and insert "*whether*"

Page 5, line 6, after the semicolon insert "*financial responsibility after closure;*"

Page 10, delete section 12

Page 11, line 7, delete "*under section 3 of this act*" and insert "*. The review shall be based on whether the plans conform to the requirements of this section. The board may require revision of a plan as a condition of its approval.*"

Pages 13 and 14, delete sections 15 and 16

Page 16, line 24, delete "*sections 3*"

Page 16, line 25, delete "*of this act and*" and insert "*section*"

Page 17, line 32, after the period, insert "*After the report of the waste management board required by section 4 has been submitted to the legislature, the agency shall review its rules for hazardous waste facilities and shall consider whether any of the rules should be modified or if new rules should be adopted based on the recommendations in the report.*"

Page 20, line 14, delete "*sections 3 of this act and*" and insert "*section*"

Page 30, line 1, delete "*20 to 27*" and insert "*25 to 35*"

Re-number the sections in sequence

Correct the cross references

Amend the title as follows:

Page 1, line 18, delete everything before "*115A.42*"

Page 1, line 19, delete everything before "*115A.62*"

The motion prevailed. So the amendment was adopted.

Mr. Bertram moved to amend S. F. No. 1965 as follows:

Page 6, line 5, delete “. In preparing”

Page 6, delete lines 6 and 7 and insert “and to preserve agricultural land to the extent prudent and feasible by minimizing the use of agricultural land for waste management sites.”

Page 9, line 6, after the period, insert:

“Before issuing a certificate of need the board shall determine whether development of the facilities described in the certificate will require the acquisition of ten or more acres of land currently in agricultural use or the conversion of such land to a non-agricultural use. If the board determines that ten or more acres of agricultural land will be so affected, the board shall notify the commissioner of agriculture of its proposal to issue the certificate of need and shall examine any alternatives which would reduce any adverse effect of the proposal on agricultural land. Within 30 days of receiving notification from the board, the commissioner of agriculture shall review the effect of the proposed certificate of need on agricultural land and either recommend that the board issue the certificate of need as proposed or recommend an alternative for modifying the certificate of need in a manner which is consistent with the waste management plan adopted under section 115A.11 and which will reduce any adverse effect on agricultural land. If the commissioner of agriculture makes no recommendation within the 30 day period, it shall be deemed a recommendation to issue the certificate of need as proposed by the board.”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 26, as follows:

Those who voted in the affirmative were:

Benson	Frederick	Langseth	Pehler	Schmitz
Bernhagen	Frederickson	Lantry	Penny	Setzepfandt
Bertram	Hughes	Menning	Peterson, D.L.	
Davis	Kamrath	Nelson	Purfeerst	
Engler	Kronebusch	Olhoft	Renneke	

Those who voted in the negative were:

Belanger	Frank	Merriam	Sikorski	Waldorf
Chmielewski	Johnson	Peterson, R.W.	Spear	Willet
Dahl	Knoll	Petty	Stern	
Davies	Kroening	Ramstad	Stokowski	
Dicklich	Lessard	Rued	Tennessee	
Dieterich	Luther	Sieloff	Vega	

The motion did not prevail. So the amendment was not adopted.

Mr. Engler moved to amend S.F. No. 1965 as follows:

Page 23, after line 36, insert:

“Sec. 28. Minnesota Statutes 1981 Supplement, Section 473.803, Subdivision 1a, is amended to read:

Subd. 1a. [PROPOSED INVENTORY OF DISPOSAL SITES.] By October 15, 1981, each county shall adopt, by resolution of its governing body, an inventory of four proposed sites in the county suitable for mixed municipal solid waste disposal facilities and one proposed site in the county suitable for

the disposal of demolition debris and shall submit the inventory to the council for approval or disapproval. The council shall evaluate and approve or disapprove each proposed site in accordance with the standards set out in this subdivision. Except as otherwise provided in this subdivision, each site shall satisfy the standards and criteria in federal and state regulations and the council's policy plan for solid waste management. In proposing and approving sites for the inventory, the counties and the council shall prefer land which is capable of being returned to its existing use or the use anticipated in a plan of a metropolitan agency, county, or local unit of government use after closure of a disposal facility. Each site shall contain no less than 80 acres and no more than 250 acres. Each proposed site shall be surrounded by a buffer area at least equal to the area of the site. No site shall be adopted by a county or the council as part of an inventory unless the agency certifies its intrinsic suitability for the use intended, based on preliminary environmental analysis and on site surveys and investigations conducted by the county. Notwithstanding any plan, charter provision, law, ordinance, regulation, or other requirement of any state agency or political subdivision, no land shall be excluded from consideration for inclusion in the inventory except land determined by the agency to be intrinsically unsuitable. Each county shall provide to the agency data relating to the intrinsic suitability of the sites to be proposed for the inventory as soon as available but no later than June 15, 1981. By July 1, 1981 each county shall propose at least the number of sites required for the inventory, and the director of the agency shall issue a notice indicating which of those sites the director recommends be certified as intrinsically suitable. Notice of hearings on the director's recommendation shall be published in the state register and newspapers of general circulation in the metropolitan area and shall be sent by mail to the metropolitan council and local government units containing a proposed inventory site. A hearing shall be held in each metropolitan county and shall be conducted by the state office of administrative hearings in a manner consistent with the completion of the proceedings and the hearing examiner's report to the agency in the time allowed by this section. The hearing shall afford all interested persons an opportunity to testify and present evidence on the subject of the hearing. The subject of the hearing shall be limited to information submitted by the county and additional information on the proposed sites which is relevant to the agency's decision on intrinsic suitability. The rulemaking and contested case procedures of chapter 15 shall not apply to this hearing. The report of the hearing examiner shall contain findings of fact, conclusions, and recommendations on the subject of the hearing. The agency shall make a final determination as to the intrinsic suitability of each proposed site and shall certify them accordingly by October 1, 1981. The agency shall not be required to promulgate rules pursuant to chapter 15 on criteria and standards to govern its certification of intrinsic suitability under this section. No action of the agency shall be held invalid by reason of the agency's failure to notify any of the entities listed in this subdivision. The council shall evaluate each site with respect to local land use and land use controls, the protection of agriculture and natural resources, existing and future development patterns, transportation facilities and other services and facilities appropriate to land disposal facilities, the quality of other potential sites, and patterns of generation of solid waste. The council shall notify a county of any site proposed by the county which the council disapproves and shall allow the county 60 days to propose an alternative site. If the county fails to propose an alternative acceptable to the council in the time allowed, the council shall propose a site acceptable to it for inclusion in the inventory of sites in that county. If in the council's judgment a county does not contain the requisite number of satisfactory sites, the council may reduce the number of sites required of that county. In order to permit the

comparative evaluation of sites and the participation of affected localities in decisions about the use of sites, a moratorium is hereby imposed as provided in this subdivision on development within the area of each site and buffer area proposed by a county, pending the council's adoption of an inventory pursuant to section 473.149, subdivision 2b. For sites and buffer areas included in the council's inventory, the moratorium shall extend until October 1, 1983, *except that the council may at any time, with the approval of the county in which the site is located, abrogate the application of the moratorium to a specific site or sites or buffer areas.* No development shall be allowed to occur within the area of a site or buffer area during the period of the moratorium without the approval of the council. No county, city, or town land use control shall permit development which has not been approved by the council, nor shall any county, city, or town sanction or approve any subdivision, permit, license, or other authorization which would allow development to occur which has not been approved by the council. The council shall not approve actions which would jeopardize the availability of a site for use as a solid waste facility. The council may establish guidelines for reviewing requests for approval under this subdivision. Requests for approval shall be submitted in writing to the chairman of the council and shall be deemed to be approved by the council unless the chairman otherwise notifies the submitter in writing within 15 days."

Renumber the sections in sequence

Page 30, line 1, delete "27" and insert "28"

Amend the title as follows:

Page 1, line 15, after the semicolon, insert "allowing the removal of the moratorium on development at certain sites;"

Page 1, line 29, after the semicolon, insert "473.803, Subdivision 1a;"

Correct internal references

The motion prevailed. So the amendment was adopted.

Mr. Schmitz moved to amend S.F. No. 1965 as follows:

Page 21, after line 36, insert:

"Sec. 26. Minnesota Statutes 1980, Section 473.153, is amended by adding a subdivision to read:

*Subd. 6a. [SUSPENSION OF SITING DURING STUDY.] Commencing on the effective date of this subdivision, there is imposed a suspension until December 31, 1982 on the site evaluation and selection procedure required by subdivisions 1 to 6. During the period of suspension the council shall evaluate:*

*(a) methods of reducing to the greatest feasible and prudent extent the introduction of hazardous materials in sewage flows; and*

*(b) uses for the commission's waste which will reduce to the greatest feasible and prudent extent the need for commission disposal facilities.*

Sec. 27. Minnesota Statutes 1980, Section 473.153, is amended by adding a subdivision to read:

*Subd. 6b. [CERTIFICATION OF NEED.] No new facility for disposing of sludge, ash, and other waste generated by the commission shall be permitted in*

*the metropolitan area without a certification of need issued by the council indicating the council's determination:*

*(a) that the disposal of waste with concentrations of hazardous materials is necessary; and*

*(b) that the additional disposal capacity planned for the facility is needed.*

*The council shall certify need only to the extent that there are no feasible and prudent methods of reducing the concentrations of hazardous materials in the waste and no feasible and prudent alternatives to the disposal facility which would minimize adverse impact upon natural resources. Methods and alternatives that are speculative or conjectural shall not be deemed to be feasible and prudent. Economic considerations alone shall not justify the certification of need or the rejection of methods or alternatives."*

Page 30, line 1, delete "27" and insert "29"

Correct internal references

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 22, after "1," insert "473.153, by adding subdivisions,"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 24, as follows:

Those who voted in the affirmative were:

Belanger	Frederick	Léssard	Ramstad	Solon
Benson	Frederickson	Menning	Renneke	Taylor
Bernhagen	Kamrath	Olhoft	Rued	Wegener
Bertram	Kronebusch	Penny	Schmitz	
Davis	Langseth	Peterson, D.L.	Setzepfandt	
Engler	Lantry	Purfeerst	Sieloff	

Those who voted in the negative were:

Chmielewski	Frank	Luther	Peterson, R. W.	Tennessee
Dahl	Hughes	Merriam	Petty	Vega
Davies	Johnson	Moc, R. D.	Pillsbury	Waldorf
Dicklich	Knoll	Pehler	Spear	Willet
Dieterich	Kroening	Peterson, C.C.	Stokowski	

The motion prevailed. So the amendment was adopted.

S.F. No. 1965 was then progressed.

On motion of Mr. Pehler, 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 refuses to concur in the Senate amendments to House File No. 1555:

H.F. No. 1555: A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; governing the recognition of school district property tax revenues and the computation of levies; granting certain powers and duties to school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; repealing certain administrative rules; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 121.11, Subdivision 12; 121.908, Subdivision 3; 121.912, Subdivisions 2 and 3; 122.90, Subdivision 1; 123.37, Subdivision 1b; 123.741, Subdivision 1; 123.78, Subdivision 1; 124.19, Subdivision 1, and by adding a subdivision; 124.213, Subdivision 2; 124.32, Subdivisions 7 and 10; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivision 1a, as added; 275.125, Subdivisions 2a, 2d, 2e, 5, as amended, 6b, 6c, 7a, 7c, 9, 19, 20, and by adding subdivisions; 275.48; 298.28, Subdivision 1; 475.61, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivisions 5a and 6; 121.904, Subdivisions 4 and 7; 122.531, Subdivision 6; 122.542, Subdivisions 3 and 4; 123.35, by adding a subdivision; 123.702, Subdivisions 1 and 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.2121, Subdivisions 2, 4, and 5, as amended; 124.2122, Subdivisions 1, and 2, as amended; 124.2123, Subdivisions 1, 3, and by adding a subdivision; 124.2124, Subdivisions 1, as amended, and 3; 124.2125, Subdivision 1, as amended; 124.2126, Subdivision 3; 124.2128, Subdivisions 1 and 5; 124.2129, Subdivision 3, and by adding a subdivision; 124.213, Subdivision 2; 124.223; 124.225, as amended; 124.245, Subdivisions 1 and 1a; 124.251; 124.271, Subdivision 2a; 124.32, Subdivisions 1, 1a, and 5; 124.38, Subdivision 7; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 125.611, Subdivision 5; 136A.81, Subdivision 1; 275.125, Subdivisions 8 and 11b; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Article VII, Section 29, as amended; Third Special Session Chapter 2, Article II, Sections 1, 2, 15, and 20; Article IV, Sections 3, Subdivisions 2 and 3; 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivisions 4a and 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14; 128.05; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

McEachern; Anderson, B.; Tomlinson; Jennings and Levi have been appointed as such committee on the part of the House.

House File No. 1555 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 8, 1982

Mr. Dieterich moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1555, 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 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. Willet imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

### MEMBERS EXCUSED

Mr. Knutson was excused from this evening's Session. Mr. Belanger was excused from this evening's Session at 8:15 p.m. Mr. Lessard was excused from this evening's Session from 8:20 to 8:50 p.m.

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, with the exception of the report on S.F. No. 1891. The motion prevailed.

Mr. Johnson from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1657: A bill for an act relating to taxation; providing energy credits for property providing a certain thermal integrity factor; extending the effective date for the credit; amending Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 14.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, reinstate the stricken language and delete the new language

Page 2, line 29, reinstate the stricken "and"

Page 3, line 19, reinstate the stricken language and delete the new language

Page 3, delete lines 20 to 36

Page 4, delete lines 1 to 4

Amend the title as follows:

Page 1, line 2, delete "providing energy credits for"

Page 1, delete line 3

Page 1, line 4, after the second "the" insert "energy"

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. 1793: A bill for an act relating to counties; authorizing the establishment of subordinate service districts in order to provide and finance governmental services; amending Minnesota Statutes 1980, Section 275.50, by adding a subdivision; proposing new law coded as Minnesota Statutes, Chapter 375B.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 26, after "state" insert "*except a metropolitan county defined in section 473.121, subdivision 4*"

Page 2, line 3, delete "shall" and insert "may"

Page 2, line 8, after the second "county" insert "*except a metropolitan county defined in section 473.121, subdivision 4*"

Page 2, line 18, delete "five" and insert "ten"

Page 3, line 5, after "newspaper" insert "*or, if the official newspaper is not generally circulated within the area of the proposed district, in a newspaper that is of general circulation in that area*"

Page 4, line 18, after "charge" insert "*related to the service used*"

Page 4, line 21, delete "shall" and insert "may"

Page 5, line 18, after "newspaper" insert "*or, if the official newspaper is not generally circulated within the area of the proposed district, in a newspaper that is of general circulation in that area*"

Page 5, line 24, after "county" insert "*except a metropolitan county defined in section 473.121, subdivision 4*"

Page 5, line 31, delete "A" and insert "*The initial*"

Page 5, line 35, after the period, insert "*Subsequent increases in the initial tax or service charge, or additional taxes or service charges imposed at a time later than the adoption of the initial tax or service charge, shall be subject to levy limitations.*"

Page 5, after line 35, insert:

"Sec. 14.

*No subordinate service district may be established pursuant to sections 1 to 13 after June 30, 1986.*

Sec. 15. Laws 1981, Chapter 291, Section 2, Subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] A ~~waste water treatment sanitary sewer board~~ called the North Koochiching ~~county waste water treatment sanitary sewer board~~ with jurisdiction in the ~~International Falls, South International Falls and Ranier municipalities and the East Koochiching county sewer district and the Papermakers sewer district~~ North Koochiching area sanitary district is established as a public corporation and political subdivision with all the rights, powers, privileges, immunities and duties which may be granted to or imposed upon a municipal corporation.

Sec. 16. Laws 1981, Chapter 291, Section 2, is amended by adding a subdivision to read:

*Subd. 1a. [DISTRICT.] The North Koochiching area sanitary district is the International Falls, South International Falls and Ranier municipalities and the East Koochiching county sewer district and the Papermakers sewer district, except that if the conditions in subdivision 10 are not met, after December 31, 1985, the North Koochiching area sanitary district shall then be the area served by the district disposal system on that date.*

Sec. 17. Laws 1981, Chapter 291, Section 2, Subdivision 2, is amended to read:

Subd 2. [MEMBERS AND SELECTIONS.] The board members shall be appointed by each of their governmental units in the following numbers:

International Falls 4

South International Falls 2

East Koochiching county sewer district 1

Papermakers sewer district 1

Ranier 1

The East Koochiching and Papermakers sewer districts shall each appoint their member on the board and designate the term of the member in accordance with subdivision 5, by a majority vote. *If the conditions in subdivision 10 are not met, after December 31, 1985, the composition of the board shall be changed, with each local government unit remaining in the district appointing one board member.*

Sec. 18. Laws 1981, Chapter 291, Section 2, is amended by adding a subdivision to read:

*Subd. 10. [CONDITIONS; APPOINTMENT OF ENGINEER; BOARD COMPOSITION.] If before January 1, 1986, the state or federal governments have not offered grants for at least 70 percent of the estimated grant eligible cost, or the board has not advertised for bids for construction, of all interceptors and treatment works which the comprehensive plan adopted pursuant to section 4 identifies as critical to the integrity of the district, then:*

*(a) The board shall appoint an independent consulting engineer who shall determine the actual value, as of January 1, 1982, of all real and personal property transferred to the board pursuant to section 5, subdivision 2, clause (a). If any local government unit challenges the determination, the dispute shall be resolved by arbitration following the procedures of the American Arbitration Association.*

*(b) After appointing the independent consulting engineer, the composition of the board shall be changed to comply with subdivision 2.*

Sec. 19. Laws 1981, Chapter 291, Section 4, Subdivision 1, is amended to read:

Subdivision 1. [BOARD PLAN AND PROGRAM.] The board shall adopt as its first comprehensive plan for the collection, treatment and disposal of waste water in the district for the period the board deems proper the com-

prehensive plan adopted by the joint powers board previously established for the cities of International Falls, South International Falls, and Ranier and the county of Koochiching by agreement pursuant to Minnesota Statutes, Section 471.59. The board shall prepare and adopt subsequent comprehensive plans for the collection, treatment and disposal of waste water in the district for each succeeding designated period the board deems proper. The first plan, as modified by the board, and any subsequent plan, *shall provide that no treatment facilities shall be constructed which would allow a discharge above the water intake of Boise Cascade Corporation used to supply drinking water to residents of the district, and shall take into account the preservation and best and most economic use of water and other natural resources in the area; the preservation, uses and potential for use of lands adjoining waters of the state to be used for the disposal of waste water; and the impact the disposal system will have on present and future land use in the area affected.* Plans shall include the general location of needed interceptors and treatment works, a description of the area that is to be served by the various interceptors and treatment works, a long range capital improvements program and other details the board deems appropriate. *Plans shall specifically identify those interceptors and treatment works which are critical to the integrity of the district.* In developing the plans, the board shall consult with persons designated for the purpose by the governing body of any municipal and public corporation or governmental or political subdivision or agency within the district. It shall consider the data, resources, and suggestions offered to the board by the entities and any planning agency acting on behalf of one or more of them. Each plan, when adopted, shall be followed in the district and may be revised as often as the board deems necessary.

Sec. 20. Laws 1981, Chapter 291, Section 5, Subdivision 2, is amended to read:

Subd. 2. [METHOD OF ACQUISITION.] (a) The board may require any local government unit to transfer to the board, *without consideration, free and clear of all encumbrances, subject only to a contingent liability pursuant to section 8, subdivision 1a,* all of the unit's right, title, and interest in any interceptors or treatment works and their necessary appurtenances owned by the unit which are needed for the purpose stated in subdivision 1. Appropriate instruments of conveyance for all the transferred property shall be executed and delivered to the board by the proper officers of each local government unit concerned.

(b) All persons regularly employed by a local government unit to operate and maintain works transferred to the board on the date on which the transfer becomes effective shall be employees of the board, in the same manner and with the same options and rights as other employees of the board.

Sec. 21. Laws 1981, Chapter 291, Section 7, is amended to read:

Sec. 7. [BUDGET.]

The board shall prepare and adopt a budget, on or before ~~September 1, 1981~~ *August 1, 1982*, and annually thereafter. The budget shall show for the following calendar year or other fiscal year determined by the board estimated receipts of money from all sources including but not limited to payments by each local government unit, federal or state grants, taxes on property, and funds on hand at the beginning of the year, and estimated expenditures for:

- (a) Costs of operation, administration and maintenance of the district disposal system;
- (b) Costs of acquisition and betterment of the district disposal system; and
- (c) Debt service, including principal and interest, on general obligation bonds and certificates issued pursuant to section 12, and any money judgments against the district.

Expenditures within these categories and others the board may determine, shall be itemized in the detail the board shall prescribe. The board and its officers, agents, and employees shall not spend money for any purpose other than debt service without having set forth the expense and its amount in the budget. No obligation to make an unbudgeted expenditure shall be enforceable except as the obligation of the person incurring it. The board may amend the budget at any time by transferring from one purpose to another any budgeted sums, except money for debt service and bond proceeds, or by increasing expenditures in any amount by which cash receipts during the budget year actually exceed the total amounts designated in the original budget. The creation of an obligation pursuant to section 12 or the receipt of a federal or state grant is a sufficient budget designation of the proceeds for the purpose for which it is authorized, and of the tax or other revenue pledged to pay the obligation, whether or not specifically included in the budget.

Sec. 22. Laws 1981, Chapter 291, Section 8, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITION OF CURRENT COSTS.] The estimated cost of administration, operation, maintenance and debt service of the district disposal system to be paid by the board in a fiscal year and the estimated costs of acquisition and betterment of the system which are to be paid during the year from funds other than state or federal grants and bond proceeds and all other previously unallocated payments made by the board pursuant to this act to be allocated in the year, less any costs to be allocated to industries pursuant to subdivision 3 and less any amounts to be received pursuant to subdivision 1a, are referred to as current costs and shall be allocated by the board to the local government units in the budget for such year.

Sec. 23. Laws 1981, Chapter 291, Section 8, is amended by adding a subdivision to read:

*Subd. 1a. [PAYMENT OF DIFFERENCE.] If the area of the district and the composition of the board change pursuant to section 2, after December 31, 1985, any local government unit remaining in the district shall pay in equal payments over 20 years, with interest at the rate of eight percent per annum, the proportionate difference in the value determined pursuant to section 2, subdivision 10, clause (a).*

Sec. 24. Laws 1981, Chapter 291, Section 8, Subdivision 2, is amended to read:

Subd. 2. [METHOD OF ALLOCATION OF CURRENT COSTS.] All current costs shall be allocated to local government units in the district on a pro rata basis determined by the effluent contributed by each, less any industrial wastes for which costs have been allocated under subdivision 3, calculated on the basis of flow measurement. The projected pro rata contribution of effluent

shall be made on or before ~~September 1, 1981~~ August 1, 1982 and annually thereafter. An adjustment shall be made on or before February 1 of each succeeding year based upon the actual effluent contributed by each government entity. The adjustments shall be paid to the district or to the proper local government units. It also may be corrected by deduction from or addition to subsequent payments. The adoption or revision of a method of allocation used by the board shall be by the affirmative vote of at least two-thirds of the members of the board.

Sec. 25. Laws 1981, Chapter 291, Section 24, is amended to read:

Sec. 24. [EFFECTIVE DATE; LOCAL APPROVAL.]

This act is effective in the local government units named in section 23 upon approval by all of the government units named in section 23 and upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3, April 1, 1982, pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a).

Sec. 26. [EFFECTIVE DATE.]

*Sections 15 to 25 are effective the day following final enactment.*

Amend the title as follows:

Page 1, line 2, delete "counties" and insert "local government"

Page 1, line 4, after the semicolon, insert "establishing provision for the event that grant funding is not received for the North Koochiching area sanitary district;"

Page 1, line 6, after the semicolon, insert "Laws 1981, Chapter 291, Sections 2, Subdivisions 1 and 2, and by adding subdivisions; 4, Subdivision 1; 5, Subdivision 2; 7; 8, Subdivisions 1 and 2, and by adding a subdivision; and 24;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government and Urban Affairs, to which was referred

S.F. No. 1875: A bill for an act relating to the city of St. Paul; establishing certain taxes.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, delete "six" and insert "four"

Page 1, line 16, before the period, insert "and not less than one percent of the tax shall be used for the payment of the bonds and any interest or premium on the bonds authorized by section 2. The tax expires upon the payment of the bonds authorized by section 2"

Pages 1 and 2, delete section 2, and insert:

"Sec. 2. [BONDING AUTHORITY; PLEDGE OF SECURITY.]

*The city of Saint Paul may by resolution, authorize, issue and sell general obligation or special obligation bonds in an amount not to exceed \$4,000,000 to finance any expenditure for the acquisition, repair, remodeling, equipping,*

*construction, reconstruction and betterment of the civic center parking ramp. Except as provided by this section the bonds shall be authorized, issued and sold in the same manner and subject to the conditions provided in Minnesota Statutes, Chapter 475. Any special tax imposed by this act in the city of Saint Paul, any tax increment generated by private development in, and revenues from the operation of the civic center complex shall be pledged in whole to the payment of the bonds and the interest and any premium on them. When any revenues, tax increment, or any special tax imposed by the city are pledged in whole or part for the repayment of general obligation bonds authorized by this act, including any interest or premium on them, the estimated collections of the revenues or taxes pledged may be deducted from the general ad valorem taxes otherwise required to be levied before the issuance of the bonds under Minnesota Statutes, Section 475.61, Subdivision 1, or the collections of them may be certified annually to reduce or cancel the initial tax levies in accordance with Minnesota Statutes, Section 475.61, Subdivision 1 or 3. Notwithstanding any contrary provision of Minnesota Statutes, Chapter 475 or any other law or charter provision, the bonds may be authorized, issued and sold without a vote of the electorate and without limit as to interest rate and the issue shall not be included in the net debt or per capita tax limitations of the city. When the bonds are special obligation bonds, the city may exercise any of the powers granted an authority for issuing revenue bonds under Minnesota Statutes, Section 273.77, paragraph (c)."*

Amend the title as follows:

Page 1, line 3, before the period insert "; authorizing the issuance of bonds for certain city facilities."

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Finance, to which was re-referred

S.F. No. 1493: A bill for an act relating to health; allowing payment for day treatment services provided by mental health centers through medical assistance and general assistance medical care; amending Minnesota Statutes 1981 Supplement, Sections 256B.02, Subdivision 8, as amended; and 256D.03, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 to 4, delete section 1

Page 4; lines 28 and 29, delete the new language

Page 4, line 31, strike "medications" and insert "day treatment services provided by a mental health center established under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for" and after "prescribed" insert "medications"

Page 5, delete lines 23 to 32 and insert:

"Minnesota Statutes, Section 256D.03, Subdivision 4, is repealed July 1, 1983."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, before "mental" insert "certain"

Page 1, line 4, delete "medical assistance and"

Page 1, line 6, delete "Sections 256B.02, Subdivision 8, as amended; and" and insert "Section"

Page 1, line 7, before the period, insert "; repealing Minnesota Statutes 1980, Section 256D.03, Subdivision 4"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S.F. No. 1930: A bill for an act relating to financial institutions; authorizing bank or trust company investment in community welfare projects; amending Minnesota Statutes 1980, Section 48.61, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 4b, is amended to read:

Subd. 4b. Notwithstanding any other provision of this chapter, including section ~~47.201~~ 47.203, with respect to any conventional loan pursuant to which the mortgagee or lender shall receive any share of future appreciation of the mortgaged property, the following limitations shall apply:

(1) The share of future appreciation of the mortgaged property which the lender or mortgagee may receive shall be limited to the proportionate amount produced by dividing the lesser of the acquisition cost or fair market value of the mortgaged property at the time the conventional loan is made into the original principal amount of the conventional loan; provided that in no event shall the annual rate of return obtained by the lender or mortgagee over the term of the conventional loan exceed the maximum lawful interest rate prescribed in subdivision 4a.

(2) The lender or mortgagee shall not receive any share of future appreciation of the mortgaged property except (a) upon sale or transfer of the mortgaged property or any interest therein, whether by lease, deed, contract for deed or otherwise, whether for consideration or by gift or in the event of death, or otherwise, and whether voluntarily, involuntarily, or by operation of law, provided that if the mortgagor or mortgagors own the mortgaged property as co-tenants, the transfer of the mortgaged property or any interest therein from one of such co-tenants to another co-tenant, whether by reason of death or otherwise, shall not be considered a sale or transfer, and a taking by eminent domain shall not be considered a sale or transfer unless it is a total taking for which payment is made for the full value of the mortgaged property, and a casualty loss shall not be considered a sale or transfer unless the proceeds of any insurance claim made in connection with such casualty loss are applied to prepay the principal of the conventional loan, or (b) upon the stated maturity of the loan, if the loan is made pursuant to or in connection with a specific housing program undertaken by a city, housing and rehabilitation authority, port authority, or other political subdivision or agency of the state.



(3) Before the loan is made, the lender shall disclose to the mortgagor or mortgagors the terms and conditions upon which the lender or mortgagee shall receive any share of future appreciation of the mortgaged property.

*Section 47.20, subdivision 6a, shall not be construed to prohibit the lender or mortgagee from declaring the entire debt of a conventional loan subject to this subdivision due and payable upon a sale or transfer of the mortgaged property or any interest therein, as provided in clause (2).*

The commissioner may from time to time make, amend and rescind rules, forms and orders necessary to carry out the provisions of this subdivision. The provisions of this subdivision shall not apply to loans made pursuant to the program authorized by Laws 1981, Chapter 97."

Page 1, after line 18, insert:

"Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective the day following final enactment."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert: "permitting certain shared appreciation mortgages; providing that the mortgage becomes due and payable upon its sale or transfer;"

Page 1, line 5, after "subdivision" insert "; and Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 4b"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S.F. No. 1507: A bill for an act relating to commerce; regulated loans; extending a prohibition on certain types of first liens taken on regulated loans to industrial loan and thrift companies and clarifying this prohibition to exclude loans used to satisfy the balance due on a contract for deed; applying the statutory provisions relating to conventional loan defaults to regulated loans; clarifying the method for the computation of interest; allowing the combination of loans of different maturities and interest rates; prohibiting attorney's fees except in connection with mortgage foreclosures; placing certain restrictions on the procurement of insurance in connection with a loan; providing miscellaneous technical and clarifying amendments; and eliminating a duplicative provision; amending Minnesota Statutes 1980, Section 53.04, Subdivision 5; and Minnesota Statutes 1981 Supplement, Sections 53.01; 53.04, Subdivision 3a; 56.12; 56.131, Subdivisions 1, 3, and 5; 56.14; 56.155; 334.02; and 334.03; proposing new law coded in Minnesota Statutes, Chapter 56.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 14, after the period, insert "*The provisions of sections 47.20 and 47.21 do not apply to loans made under this section, except as specifically provided in this subdivision.*"

Page 2, line 19, delete "*other than a*"

Page 2, delete lines 20 to 22 and insert "unless:

*(1) the proceeds of the loan are used to finance the purchase of a manufactured home; or*

*(2) the proceeds of the loan are used in whole or in part to satisfy the balance owed on a contract for deed. The rate of interest charged on such a loan made after August 1, 1984, shall not exceed the rate provided in section 47.20, subdivision 4a.*

*A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8."*

Page 3, line 25, after the period, insert "The provisions of sections 47.20 and 47.21 do not apply to loans made under this chapter, except as provided in this section."

Page 3, line 28, strike "other than a mobile home." and delete "This"

Page 3, lines 29 to 31, delete the new language and insert "unless:

*(1) the proceeds of the loan are used to finance the purchase of a manufactured home; or*

*(2) the proceeds of the loan are used in whole or in part to satisfy the balance owed on a contract for deed. The rate of interest charged on such a loan made after August 1, 1984, shall not exceed the rate provided in section 47.20, subdivision 4a."*

Page 3, line 31, begin a new paragraph with "If"

Page 8, delete section 7

Pages 8, 9 and 10, delete section 9

Page 12, line 18, after the period, insert "In all cases when insurance is offered the obligor shall be informed that he has the option of providing insurance through existing policies of insurance owned or controlled by him or by procuring and furnishing the offered coverage through any insurer authorized to transact an insurance business within this state."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "extending a"

Page 1, delete lines 3 to 6

Page 1, line 7, delete "for deed;"

Page 1, line 15, delete the second "and"

Page 1, line 16, delete "eliminating a duplicative provision;"

Page 1, line 20, delete ", 3,"

Page 1, line 20, delete "56.14;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S.F. No. 1855: A bill for an act relating to insurance; eliminating certain mandatory filings with the commissioner of insurance; repealing Minnesota Statutes 1980, Section 72A.062.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

“Section 1. Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivision 6c, is amended to read:

Subd. 6c. [REVOCAION OR SUSPENSION OF LICENSE.] (a) The commissioner may suspend or revoke an insurance agent's license issued to a natural person or impose a civil penalty appropriate to the offense, not to exceed \$5,000 upon that licensee, if, after notice and hearing, the commissioner finds as to that licensee any one or more of the following conditions:

- (1) Any materially untrue statement in the license application;
  - (2) Any cause for which issuance of the license could have been refused had it then existed and been known to the commissioner at the time of issuance;
  - (3) Violation of, or noncompliance with, any insurance law or violation of any rule or order of the commissioner or of a commissioner of insurance of another state or jurisdiction;
  - (4) Obtaining or attempting to obtain any license through misrepresentation or fraud;
  - (5) Improperly withholding, misappropriating, or converting to the licensee's own use any moneys belonging to a policyholder, insurer, beneficiary, or other person, received by the licensee in the course of the licensee's insurance business;
  - (6) Misrepresentation of the terms of any actual or proposed insurance contract;
  - (7) Conviction of a felony or of a gross misdemeanor or misdemeanor involving moral turpitude;
  - (8) That the licensee has been found guilty of any unfair trade practice, as defined in chapters 60A to 72A, or of fraud;
  - (9) That in the conduct of the agent's affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or the licensee has been shown to be incompetent, untrustworthy, or financially irresponsible;
  - (10) That the agent's license has been suspended or revoked in any other state, province, district, territory, or foreign country;
  - (11) That the licensee has forged another's name to an application for insurance; or
  - (12) That the licensee has violated subdivision 6b.
- (b) The commissioner may suspend or revoke an insurance agent's license issued to a partnership or corporation or impose a civil penalty not to exceed \$5,000 upon that licensee, if, after notice and hearing, the commissioner finds as to that licensee, or as to any partner, director, shareholder, officer, or

employee of that licensee, any one or more of the conditions set forth in paragraph (a).

(c) A revocation of a license shall prohibit the licensee from making a new application for a license for at least one year. Further, the commissioner may, as a condition of relicensure, require the applicant to file a reasonable bond for the protection of the citizens of this state, which bond shall be maintained by the licensee in full force for a period of five years immediately following issuance of the license, unless the commissioner at his or her discretion shall after two years permit the licensee to sooner terminate the maintenance filing of the bond.

(d) Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of chapter 60A or of any rule or order of the commissioner:

(1) The commissioner may issue and cause to be served upon the person an order requiring the person to cease and desist from the violation. The order shall give reasonable notice of the time and place of hearing and shall state the reasons for the entry of the order. A hearing shall be held not later than seven days after the issuance of the order unless the person requests a delay. After the hearing and within 30 days of filing of any exceptions to the hearing examiner's report, the commissioner shall issue an order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be conducted in accordance with the provisions of chapter 15. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true;

(2) *The commissioner may bring an action in the district court in the appropriate county to enjoin the acts or practices and to enforce compliance with chapter 60A and any rule or order of the commissioner; and*

(3) In any proceeding under chapter 60A relating to injunction, the request for injunction may be brought on for hearing and disposition upon an order to show cause returnable upon not more than eight days notice to the defendant. The case shall have precedence over other matters on the court calendar and shall not be continued without the consent of the state of Minnesota, except upon good cause shown to the court, and then only for a reasonable length of time as may be necessary in the opinion of the court to protect the rights of the defendant.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivision 13, is amended to read:

Subd. 13. [AGENTS; VARIABLE CONTRACTS.] (a) [LICENSE REQUIRED.] No person shall sell or offer for sale a contract on a variable basis unless prior to making any solicitation or sale the person has obtained from the commissioner a license therefor. The license shall only be granted, upon the written requisition of an insurer, to a qualified person who holds a current license authorizing the person to solicit and sell life insurance and annuity contracts in this state. To become qualified, a person shall complete a written application on a form prescribed by the commissioner and shall take and pass an examination prescribed by the commissioner. Prior to the taking of the

examination, or upon re-examination, the applicant shall transmit to the commissioner, by money order or cashiers check payable to the state treasurer, an examination fee of \$10.

(b) [EXCEPTIONS.] (1) Any *regularly salaried officer or employee* of a licensed insurer may, without license or other qualification, act ~~in its~~ on behalf of that licensed insurer in the negotiation and consummation of contracts a contract on a variable basis, provided that a licensed agent must participate in the sale of any contract.

(2) Any person who, on July 1, 1969, holds a valid license authorizing the person to solicit and sell life insurance and annuity contracts and who also holds a valid license issued by the securities and real estate division of the department of commerce authorizing the person to sell or offer for sale contracts on a variable basis shall be issued a license by the commissioner of insurance upon application therefor and payment of a \$2 fee, which license shall expire on May 31, 1970, unless renewed by an insurer as provided in paragraph (a).

(3) Any person who holds a valid license to solicit and sell life insurance and annuity contracts may solicit and sell contracts on a variable basis without acquiring a license under this subdivision if the contract is based on an account which is excluded from the definition of investment company under the Investment Company Act of 1940, 15 U.S.C. 80a-3(11).

(c) [RULES.] The commissioner may by rules waive or modify any of the foregoing requirements or prescribe additional requirements deemed necessary for the proper sale and solicitation of contracts on a variable basis.

### Sec. 3. [APPLICABILITY.]

*Section 2 applies to contracts on a variable basis delivered, issued for delivery, renewed, or amended on or after August 1, 1982."*

Renumber the section in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "authorizing the commissioner to enjoin violations of chapter 60A; providing certain exceptions to variable contract license requirements; amending Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivisions 6c and 13;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

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.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 11, insert:

## "HOTELS"

Page 1, lines 16 and 20, delete "any" and insert "a"

Page 1, line 18, delete "any"

Page 1, line 20, after "motel," insert "resort,"

Page 2, lines 3 and 5, delete "when" and insert "if"

Page 2, line 17, delete ", printed in at least ten point type,"

Page 2, line 21, delete "(a)" and insert "(1)"

Page 2, line 22, delete "(b)" and insert "(2)"

Page 2, lines 27 and 29, delete "\$3,000" and insert "\$1,000"

Page 3, line 2, delete "any"

Page 3, line 4, delete "\$1,500" and insert "\$1,000"

Page 3, line 9, delete "(a)" and insert "(1)"

Page 3, line 9, delete "(b)" and insert "(2)"

Page 3, line 12, delete "(c)" and insert "(3)"

Page 3, line 14, delete "(d)" and insert "(4)"

Page 3, line 18, delete "\$2,000" and insert "\$1,000"

Page 3, line 22, delete "room assigned" and insert "bedroom registered"

Page 3, line 34, delete "Any" and insert "An"

Page 4, line 1, before the period, insert "and upon payment of the costs of storage. The innkeeper may also dispose of abandoned, unclaimed property in the manner provided in sections 345.01 to 345.07"

Page 4, lines 2, 19, and 26, delete "Any" and insert "An"

Page 4, lines 13 and 31, delete "Any" and insert "A"

Page 4, lines 20, 27, and 36, delete "any" and insert "a"

Page 4, line 20, after "guest" insert "or other person"

Page 5, lines 1, 5, and 8, delete "any" and insert "a"

Page 5, line 2, delete "Minnesota"

Page 5, line 3, delete "Statutes,"

Page 5, line 3, delete the second "Section" and insert "section"

Page 5, lines 5 and 17, delete "Any" and insert "A"

Page 5, line 13, delete "printed in at least ten point type"

Page 5, line 24, delete "shall include," and insert "includes:"

Page 5, delete line 25

Page 6, line 2, delete "Except as provided in"

Page 6, line 3, delete "subdivision 2, any" and insert "An"

Page 6, line 7, delete "any"

Page 6, line 12, delete "Provided,"

Page 6, line 12, delete "that"

Page 6, line 14, delete "3" and insert "2"

Page 6, line 15, delete "4" and insert "3"

Page 6, delete lines 16 to 19

Page 6, line 20, delete "3" and insert "2"

Page 6, line 25, delete "where" and insert "if"

Page 6, line 26, delete "satisfaction of the"

Page 7, line 7, delete "4" and insert "3"

Page 7, line 10, delete ", together with any" and insert " and pay to the defendant"

Page 7, line 18, delete "Minnesota"

Page 7, line 19, delete "Statutes,"

Page 7, line 24, delete "any" and insert "an"

Page 7, line 32, delete "any" in both places and insert "an"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S.F. No. 1920: A bill for an act relating to local government; permitting towns to issue off-sale liquor licenses; amending Minnesota Statutes 1980, Section 368.01, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, delete "368.01" and insert "340.11"

Page 1, line 9, delete "31" and insert "10b"

Page 1, line 9, delete "LIQUOR" and insert "OFF-SALE"

Page 1, line 9, after "LICENSES" insert "; TOWNS"

Page 1, line 9, after "board" insert "of any town exercising powers pursuant to section 368.01, subdivision 1,"

Page 1, line 10, delete "liquor"

Page 1, line 10, delete "liquors" and insert "liquor"

Page 1, line 16, delete "\$500" and insert "\$5,000"

Amend the title as follows:

Page 1, line 4, delete "368.01" and insert "340.11"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 1719: A bill for an act relating to courts; authorizing the chief judge of the judicial district to fill vacancies in the office of judicial officer in St. Louis, Steele, Goodhue and Carlton counties; amending Minnesota Statutes 1981 Supplement, Section 487.08, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 8, insert:

“Section 1. Minnesota Statutes 1980, Section 487.04, is amended to read:  
487.04 [DISQUALIFICATIONS OF LAY JUDGE.]

A county court judge who is not learned in the law shall not act in hearings, try or dispose of any case or proceeding involving jurisdiction in addition to that exercised by him at the time of the effective date of Laws 1971, Chapter 951. Those matters shall be heard by a judge or judicial officer learned in the law from within the county court district or from any other county, who upon request of the county court agrees to serve or who is assigned to hear the cases or proceedings by the chief justice of the supreme court, or, with the consent of the parties and the district court, such proceedings may be transferred by the county court to the district court. *Provided that, a lay judge may be assigned to hear marriage dissolution actions in which the custody of children is not at issue.*”

Page 1, line 11, after “2.” insert “[EXCEPTION.]”

Page 1, line 13, delete the new language

Page 1, line 17, after “*officer*” insert “*in St. Louis County*”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete “, Goodhue”

Page 1, line 5, after the semicolon, insert “prescribing powers for certain judges;”

Page 1, line 5, after “amending” insert “Minnesota Statutes 1980, Section 487.04; and”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S.F. No. 2038: A bill for an act relating to public welfare; providing for classification, access, and destruction of certain child abuse report records; clarifying the classification of reports regarding vulnerable adults; amending Minnesota Statutes 1980, Sections 626.556, Subdivisions 3, 7, and by adding a subdivision; 626.557, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 626.556, Subdivision 11.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 10, before the period, insert “, *unless release would be detrimental to the best interests of the child*”



Page 3, line 20, delete "If upon" and insert "After the"

Page 3, line 21, delete "the report is found to be substantiated" and insert "is completed"

Page 3, line 23, delete "If upon"

Page 3, delete lines 24 and 25

Page 4, after line 28, insert:

"Sec. 6. Minnesota Statutes 1980, Section 626.557, Subdivision 19, is amended to read:

Subd. 19. [PENALTY.] Any caretaker, as defined in subdivision 2, or operator or employee thereof, or volunteer worker thereat, who intentionally abuses or neglects a vulnerable adult, or being a caretaker, permits conditions to exist which result in the abuse or neglect of a vulnerable adult, ~~may be charged with a violation of section 609.23~~ is guilty of a gross misdemeanor."

Page 4, line 30, delete "5" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "prescribing penalties;"

Page 1, line 8, after the comma, insert "Subdivision 19, and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was re-referred

S.F. No. 862: A bill for an act proposing an amendment to the Minnesota Constitution, Article XI, Section 5; providing for the improvement and rehabilitation of certain railroad facilities.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 11, before the semicolon, insert " provided that bonds issued and unpaid shall not at any time exceed \$200,000,000 par value"

Page 2, line 20, after "authority" insert "up to a maximum of \$200,000,000"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 1734: A bill for an act relating to courts; authorizing the continuance of the office of court referee in the second and fourth judicial districts; amending Minnesota Statutes 1981 Supplement, Section 484.70, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 10 to 12, reinstate the stricken language

Page 1, line 13, reinstate everything before the stricken "June"

Page 1, line 14, reinstate "August 15, 1980, in the fourth"

Page 1, lines 15 to 17, reinstate the stricken language

Page 1, line 17, delete "However," and delete "June"

Page 1, line 18, delete everything before "August"

Page 1, line 20, delete "under the terms and conditions"

Page 1, line 21, delete "of each appointment"

Page 1, line 21, after "vacancy" insert "arising prior to June 1, 1984,"

Page 1, line 21, after "offices" insert "in the fourth judicial district"

Page 1, line 22, after "district" insert "only"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was re-referred

H.F. No. 1611: A bill for an act relating to garnishment; authorizing an employer to recover expenses incurred for administering garnishment of an employee's wages; amending Minnesota Statutes 1980, Section 571.57.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 3, after "fee" insert ", not exceeding \$9 in any 30 day period,"

Page 2, line 3, after the period, insert "A processing transaction means any written response the garnishee employer is required by law to mail or deliver for purposes of administering the garnishment of an employee's wages."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 522: A bill for an act relating to family; clarifying circumstances in which parent with custody of child may move to another state; amending Minnesota Statutes 1980, Section 518.175, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 11 to 14, reinstate the stricken language

Page 1, line 14, delete "if the only" and insert ". If the"

Page 1, line 16, delete everything after "decree" insert "; the court shall not permit the child's residence to be moved to another state"

Page 1, delete lines 17 and 18

Page 1, line 19, delete everything before the period

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S.F. No. 2172: A bill for an act relating to crimes; clarifying methods of and

responsibility for imposing and collecting penalty assessments; amending Minnesota Statutes 1981 Supplement, Sections 609.101 and 626.861.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 25, delete "*penalty assessment*" and insert "*surcharge*"

Page 2, lines 2 and 16, delete "*penalty assessments*" and insert "*sur-charges*"

Pages 2 to 4, delete section 2

Page 4, line 7, delete "*Sections 1 and 2 are*" and insert "*Section 1 is*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "*Sections*" and insert "*Section*" and delete "*and 626.861*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H.F. No. 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.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after "4." insert "[JURISDICTION; WORTHLESS CHECKS.]"

Page 1, line 17, before the period, insert "*provided that the notice of nonpayment or dishonor required by section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check or other order of payment of money may commence a conciliation court action in the county where the worthless check was issued to recover the amount of the check*"

Page 1, line 17, after the period, insert "*This subdivision does not apply to a check or other order for payment of money that has been dishonored by a stop payment order.*"

Page 1, line 20, after the period, insert "*The conciliation court clerk shall attach a copy of the dishonored check or other order for payment of money to the summons before it is issued.*"

Page 2, line 16, before the period, insert "*provided that the notice of nonpayment or dishonor required by section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check or other order of payment of money may commence a conciliation court action in the county where the worthless check was issued to recover the amount of the check*"

Page 2, line 16, after the period, insert "This clause does not apply to a check or other order for payment of money that has been dishonored by a stop payment order."

Page 2, line 19, after the period, insert "The conciliation court administrator shall attach a copy of the dishonored check or other order for payment of money to the summons before it is issued."

Page 2, after line 19, insert:

"Sec. 3. Minnesota Statutes 1980, Section 488A.14, Subdivision 4, is amended to read:

Subd. 4. [HEARING, DATE; SUMMONS.] When an action has been properly commenced, the clerk shall set a date for court hearing and advise the plaintiff of the date set. The clerk shall promptly summon the defendant by mail or by personal service in the manner ~~then~~ provided for personal service of a summons of ~~said~~ the municipal court. The summons shall state the amount and nature of the claim; ~~shall~~, require the defendant to appear at the hearing; ~~shall~~, specify that if he does not appear judgment by default will be entered against him for the relief demanded and ~~shall~~ summarize the requirements for filing a counterclaim. Unless otherwise ordered by a judge, the hearing date shall be not less than ~~ten~~ 15 days from the date of mailing or service of the summons.

Sec. 4. Minnesota Statutes 1980, Section 488A.16, Subdivision 2, is amended to read:

Subd. 2. [ENTRY OF JUDGMENT.] The clerk shall enter judgment forthwith as ordered by the court, dating the judgment entry the same date as notice is mailed to the parties. Unless: (1) otherwise ordered by a judge, (2) payment has been made in full, (3) removal to municipal court has been perfected or (4) an order vacating the prior order has been filed, the judgment so entered by the clerk becomes finally effective ~~ten~~ 15 days after the mailing of notice.

Sec. 5. Minnesota Statutes 1980, Section 488A.16, Subdivision 5, is amended to read:

Subd. 5. [VACATION OF ORDER FOR JUDGMENT WITHIN ~~TEN~~ TWENTY 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 to the other party may be ordered as a prerequisite to that relief. The clerk shall notify the other party by mail of the new hearing date.

Sec. 6. Minnesota Statutes 1980, Section 488A.16, Subdivision 6, is amended to read:

Subd. 6. [VACATION OF JUDGMENT AFTER ~~TEN~~ TWENTY 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 within six months from the date of entry of judgment, a judge may vacate a default

judgment with or without payment of absolute or conditional costs. The clerk shall notify the parties by mail of the new hearing date.

Sec. 7. Minnesota Statutes 1980, Section 488A.17, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE FOR REMOVAL OF CAUSE.] No cause shall be ~~so~~ removed ~~unless all of the following acts are performed~~ by the aggrieved party ~~unless all of the following acts are performed~~ within ~~ten~~ 20 days after the date the clerk mailed to him notice of the order for judgment:

(a) ~~Serve~~ *Serving* 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 *by mail or by personal service* 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~~ *Filing* with the clerk 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 is~~ made within the ~~ten~~ 20 day period, the aggrieved party may file with the clerk within the ~~ten~~ 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 clerk shall mail the copy of the demand to the opposing party at his last known residence address.

(c) ~~File~~ *Filing* with the clerk 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~~ *Paying* to the clerk of conciliation court \$2 when the demand is for trial by court, ~~plus \$5 additional or \$7~~ when the demand is for trial by a jury of six persons.

Sec. 8. Minnesota Statutes 1980, Section 488A.17, Subdivision 3, is amended to read:

Subd. 3. [LIMITED REMOVAL OF CAUSE, PROCEDURE.] (a) When a motion for vacation of a judgment or an order for judgment under subdivision 5 or 6 of section 488A.16 has been denied, the aggrieved party may demand limited removal to the municipal court of the county of Hennepin for hearing de novo of his motion. The demand for limited removal and notice of the hearing de novo must be served by the aggrieved party on the other party in accordance with the provisions of subdivision 2(a) ~~of this section and~~. The original demand and notice, with proof of service, must be filed with the clerk of conciliation court within ~~ten~~ 20 days after the motion has been denied, or the original and one copy of the demand and notice, together with an affidavit similar to that required by subdivision 2(b) ~~of this section~~ must be filed with the clerk of conciliation court within ~~said ten-day~~ the 20 day period. When ~~such~~ an affidavit is filed, the clerk shall ~~then~~ mail the copy of the demand and notice to

the other party at his last known residence address. The aggrieved party shall pay a fee of \$2 to the clerk of conciliation court for filing the demand and notice ~~and~~. This fee shall not be recoverable as a disbursement. The notice shall set a date for hearing de novo at a special term of the municipal court not less than ten days nor more than thirty days subsequent to the date of filing the original demand and notice.

(b) The clerk of conciliation court thereupon shall pay over to the municipal court the \$2 fee and ~~shall~~ file in municipal court the removal demand and notice together with all orders, affidavits, and other papers filed in conciliation court. The clerk of municipal court shall then place the cause on the special term calendar of the municipal court for hearing on the date specified in the notice.

(c) A municipal judge, other than the conciliation judge who denied the motion, shall hear the motion de novo at special term and may deny the motion, without allowance of costs, or grant the motion, with or without the allowance of absolute or conditional costs. At the hearing de novo the municipal judge shall consider the entire file of the conciliation court together with any subsequent affidavits of showing made by either party.

(d) The clerk of municipal court shall send a copy of the order made after the de novo hearing to both parties and return the file to the clerk of conciliation court."

Page 3, line 5, before the period, insert "*provided that the notice of non-payment or dishonor required by section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check or other order of payment of money may commence a conciliation court action in the county where the worthless check was issued to recover the amount of the check*"

Page 3, line 5, after the period, insert "*This clause does not apply to a check or other order for the payment of money that has been dishonored by a stop payment order.*"

Page 3, line 8, after the period, insert "*The conciliation court administrator shall attach a copy of the dishonored check or other order for payment of money to the summons before it is issued.*"

Page 3, after line 8, insert:

"Sec. 10. Minnesota Statutes 1980, Section 488A.31, Subdivision 4, is amended to read:

Subd. 4. [HEARING, DATE; SUMMONS.] When an action has been commenced, the administrator shall set a date for court hearing and advise the plaintiff of the date set. The administrator shall promptly summon the defendant by mail. The summons shall state the amount and nature of the claim; ~~shall~~, require the defendant to appear at the hearing; ~~shall~~, specify that if he does not appear judgment by default will be entered against him for the relief demanded and ~~shall~~ summarize the requirements for filing a counterclaim. Unless otherwise ordered by a judge, the hearing date shall be not less than ~~ten~~ 15 days from the date of mailing or service of the summons.

Sec. 11. Minnesota Statutes 1980, Section 488A.33, Subdivision 2, is amended to read:

Subd. 2. [ENTRY OF JUDGMENT.] The administrator shall enter judg-

ment ~~forthwith~~ as ordered by the court, dating the judgment entry the same date as notice is mailed to the parties. Unless: (1) otherwise ordered by a judge, (2) payment has been made in full, (3) removal to municipal court has been perfected or (4) an order vacating the prior order has been filed, the judgment so entered by the administrator becomes final ~~ten~~ 20 days after the mailing of notice.

Sec. 12. Minnesota Statutes 1981 Supplement, 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 ~~unless all of the following acts are performed~~ within 20 days after the date the administrator mailed ~~to~~ him notice of the order for judgment:

(a) ~~Serve~~ *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 *by mail or by personal service* 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~~ *Filing* 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 is~~ made within the 20 day period, the aggrieved party may file with the administrator within the 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~~ *Filing* 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~~ *Paying* to the administrator of conciliation court 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. 13. Minnesota Statutes 1980, Section 488A.34, Subdivision 12, is amended to read:

Subd. 12. [LIMITED REMOVAL OF CAUSE, PROCEDURE.] (a) When a motion for vacation of a judgment or an order for judgment under section 488A.33, subdivisions 5 or 8, has been denied, the aggrieved party may demand limited removal to the municipal court for hearing de novo of his motion. The demand for limited removal and notice of the hearing de novo must be served by the aggrieved party on the other party in accordance with the provisions of subdivision 2, clause (a), ~~and~~. The original demand and notice, with proof of service, must be filed with the administrator of conciliation court

within ~~ten~~ 20 days after the motion has been denied, or the original and one copy of the demand and notice, together with an affidavit similar to that required by subdivision 2, clause (b), must be filed with the administrator of conciliation court within ~~said ten~~ the 20 day period. When ~~such~~ an affidavit is filed, the administrator shall ~~then~~ mail the copy of the demand and notice to the other party at his last known residence address. The aggrieved party shall pay a fee of \$3 to the clerk of conciliation court for filing the demand and notice ~~and~~. This fee shall not be recoverable as a disbursement. The notice shall set a date for hearing de novo at a special term of the municipal court not less than ten days nor more than 30 days subsequent to the date of filing the original demand and notice.

(b) The administrator of conciliation court thereupon shall pay over to the municipal court the \$3 fee and shall file in municipal court the removal demand and notice together with all orders, affidavits, and other papers filed in conciliation court. The administrator of municipal court shall then place the cause on the special term calendar of the municipal court for hearing on the date specified in the notice.

(c) A municipal judge, other than the conciliation judge who denied the motion, shall hear the motion de novo at special term and may deny the motion, without allowance of costs, or grant the motion, with or without the allowance of absolute or conditional costs. At the hearing de novo the municipal judge shall consider the entire file of the conciliation court together with any subsequent affidavits of showing made by either party.

(d) The administrator of municipal court shall send a copy of the order made after the de novo hearing to both parties and return the file to the administrator of conciliation court."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "revising various time limits;"

Page 1, line 7, delete "and" and insert "488A.14, Subdivision 4; 488A.16, Subdivisions 2, 5, and 6; 488A.17, Subdivisions 2 and 3;"

Page 1, line 7, before the period, insert "; 488A.31, Subdivision 4; 488A.33, Subdivision 2; 488A.34, Subdivision 12; and Minnesota Statutes 1981 Supplement, Section 488A.34, Subdivision 2"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S.F. No. 1175: A bill for an act relating to crimes; establishing a bill of rights for victims and witnesses of crimes; establishing certain participatory, informational, notification and referral rights for victims and witnesses; affirming the right of victims to bring actions against offenders; establishing the right of a victim to request restitution; providing for implementation of victim and witness rights by law; providing penal sanctions and judicial mechanisms to deter intimidation of witnesses; facilitating the expeditious return of stolen property by provision of judicial and administrative procedures; establishing county coordinating committees on victim and witness assistance to coordinate



victim and witness assistance planning; providing for employer intercession, secure court waiting areas and witness fees; requiring criminal justice agencies to inform victims of the progress of criminal prosecutions and to inform victims of financial assistance and social services; providing for minimal victim participation in the criminal process; establishing a crime victims compensation and service fund for payment of compensation awards and victim and witness services; providing penalties; amending Minnesota Statutes 1980, Sections 241.26, Subdivisions 5 and 6; 243.23, Subdivision 3; 363.03, by adding a subdivision; 571.55, by adding a subdivision; 609.115, Subdivision 1; and 631.425, Subdivision 5; proposing new law coded as Minnesota Statutes, Chapter 611A; repealing Minnesota Statutes 1980, Sections 299C.07; 357.24; and 609.498.

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 609.498, is amended to read:

609.498 [TAMPERING WITH A WITNESS.]

Subdivision 1. [TAMPERING WITH A WITNESS IN THE FIRST DEGREE.] Whoever *does any of the following is guilty of tampering with a witness in the first degree and may be sentenced as provided in subdivision 1a:*

(a) *intentionally prevents or dissuades or intentionally attempts to prevent or dissuade by means of force or threats of injury to person, family, or property, a person who is or may become a witness from attending or testifying at any trial, proceeding, or inquiry authorized by law, is guilty of tampering with a witness in the first degree and may be sentenced; or*

(b) *intentionally threatens to cause injury to person, family or property in retaliation against a person who was summoned as a witness at any trial, proceeding or inquiry authorized by law, within a year following that trial, proceeding or inquiry; or*

(c) *intentionally prevents or dissuades or attempts to prevent or dissuade by means of force or threats of injury to person, family, or property, a person from providing information to law enforcement authorities concerning a crime; or*

(d) *intentionally threatens to cause injury to person, family or property in retaliation against a person who has provided information to law enforcement authorities concerning a crime within a year of that person so providing the information.*

*Subd. 1a. [SENTENCE.] Whoever violates subdivision 1 may be sentenced to imprisonment for not more than five years or to payment of a fine not to exceed \$5,000.*

Subd. 2. [TAMPERING WITH A WITNESS IN THE SECOND DEGREE.] Whoever *does any of the following is guilty of tampering with a witness in the second degree and may be sentenced as provided in subdivision 3:*

(a) *intentionally prevents or dissuades or intentionally attempts to prevent or dissuade by means of any act described in section 609.27, subdivision 1, clauses (3), (4), or (5), a person who is or may become a witness from*

attending or testifying at any trial, proceeding, or inquiry authorized by law, is guilty of tampering with a witness in the second degree and, or

(b) intentionally prevents or dissuades or attempts to prevent or dissuade by means of any act described in section 609.27, subdivision 1, clauses (3), (4), or (5), a person from providing information to law enforcement authorities concerning a crime.

Subd. 3. [SENTENCE.] Whoever violates subdivision 2 may be sentenced to imprisonment for not more than one year or to payment of a fine not to exceed \$1,000.

Sec. 2. [609.5811] [DEFINITIONS; SCOPE.]

Subdivision 1. [LAWFUL ENTRY.] Whoever enters a building while open to the general public does so with consent except when consent was previously expressly withdrawn.

Subd. 2. [DEFINITIONS.] For the purposes of sections 2 to 7 and 609.59, the terms in this subdivision have the meanings given them and the principles set forth in this section apply.

"Building" means a dwelling or other structure suitable for or affording shelter for human beings or appurtenant to or connected with a structure so adapted, and includes portions of such structures separately occupied.

"Dwelling" means a structure used as a permanent or temporary residence by a person or persons, including any tent, watercraft, structure, or vehicle that is intended and used for overnight lodging.

Sec. 3. [609.5812] [BURGLARY IN THE FIRST DEGREE.]

Whoever, under any of the following circumstances, enters a building without the consent of the person in lawful possession, with intent to commit a crime in it, or remains in a building without the consent of the person in lawful possession, with intent to commit a crime in it, commits burglary in the first degree and may be sentenced to imprisonment for not more than 20 years or to payment of a fine of not more than \$20,000, or both:

(1) The building he enters is a dwelling which is occupied or believed to be occupied;

(2) The portion of the building he enters contains a banking business or other business of receiving securities or other valuable papers for deposit or safekeeping, the entry is with force or threat of force, and the intent is to steal or commit a felony therein;

(3) When entering or while in the building, he possesses a dangerous weapon or commits an assault upon a person present in the building entered; or

(4) When entering or while in the building, he possesses an explosive or tool to gain access to money or property.

Sec. 4. [609.5813] [BURGLARY IN THE SECOND DEGREE.]

Whoever, when burglary in the first degree is not committed, enters a dwelling without the consent of the person in lawful possession, with intent to commit a crime in it, or remains in a dwelling without the consent of the person

*in lawful possession, with intent to commit a crime in it, commits burglary in the second degree and may be sentenced to imprisonment for not more than 15 years or to payment of a fine of not more than \$15,000, or both.*

Sec. 5. [609.5814] [BURGLARY IN THE THIRD DEGREE.]

*Whoever, when burglary in the first or second degree is not committed, enters a building without the consent of the person in lawful possession, with intent to commit a felony or gross misdemeanor in it, or remains in a building without the consent of the person in lawful possession, with intent to commit a felony or gross misdemeanor in it, commits burglary in the third degree and may be sentenced to imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both.*

Sec. 6. [609.5815] [BURGLARY IN THE FOURTH DEGREE.]

*Whoever, when burglary in the first, second, or third degree is not committed, enters a building without the consent of the person in lawful possession, with intent to commit a misdemeanor in it, or remains in a building without the consent of the person in lawful possession, with intent to commit a misdemeanor in it, commits burglary in the fourth degree and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both.*

Sec. 7. [REPEALER.]

*Minnesota Statutes 1980, Section 609.58, is repealed.*

Sec. 8. [EFFECTIVE DATE.]

*This act is effective July 1, 1982 and applies to all crimes committed on or after that date."*

Delete the title and insert:

*"A bill for an act relating to crimes; prohibiting tampering with a witness; prohibiting burglary; increasing penalties; amending Minnesota Statutes 1980, Section 609.498; proposing new law coded in Minnesota Statutes, Chapter 609; repealing Minnesota Statutes 1980, Section 609.58."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was re-referred

S.F. No. 1891: A bill for an act relating to real property; providing for relief in certain cases from inequitable foreclosure of mortgages, termination of contracts for the conveyance of real estate, and execution sales of real property during an emergency declared by the governor; authorizing the governor to declare by proclamation a public economic emergency under certain conditions, limiting its duration, and providing nullifying powers in the legislature; postponing certain sales and extending the period of redemption of real property during an emergency; providing for possession during the extended period; and limiting the right to maintain actions for deficiency judgments; proposing new law coded as Minnesota Statutes, Chapter 582A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, delete "the"

Page 2, line 5, before "extension" insert "postponement and"

Page 2, line 5, delete the second "the"

Page 2, line 17, after "in" insert "a certain county or counties of"

Page 2, line 29, after "mortgages" insert "or contracts for deed"

Page 3, line 13, delete "is" and insert "has"

Page 3, line 13, after "not" insert "been"

Page 3, line 16, delete "to"

Page 3, line 19, delete "is" and insert "has been"

Page 3, after line 20, insert:

*"Subd. 4. [PROPERTY COVERED; DESIGNATED COUNTIES.] The provisions of sections 1 to 12 apply only to mortgages secured by and contracts for deed conveying real property located, in whole or in part, in a county designated in the governor's proclamation."*

Page 3, line 34, delete "shall"

Page 4, line 2, delete "shall" and insert "may"

Page 4, line 2, after "with" insert "or after service of"

Page 4, line 3, after the period, insert "In determining whether to grant the relief requested, the court shall consider whether it would be better for the petitioner to proceed under the federal bankruptcy code."

Page 4, line 14, delete "and" and insert a period

Page 4, lines 14 and 26, after "sale" insert a comma

Page 4, line 14, delete the second "the" and insert "a"

Page 4, line 14, after "court" insert a comma

Page 5, line 14, delete "purchaser" and insert "vendee"

Page 5, delete lines 21 to 28 and insert:

*"If, during the effective period of the governor's proclamation: (1) a mortgage on real property is foreclosed and the period of redemption has not expired; (2) an action to foreclose a mortgage on real property is commenced or is pending; (3) proceedings to foreclose a mortgage by advertisement are commenced or are pending; (4) a notice of termination of contract for deed is served; (5) the period of time during which a contract for deed can be reinstated expires; or (6) proceedings to enforce a judgment against real estate are commenced or are pending; the"*

Page 5, line 30, delete "such" and insert "any"

Page 5, line 31, delete "as"

Page 5, line 32, delete the semicolon and insert a period

Page 5, line 33, delete "provided that" and insert "In such case"

Page 5, line 34, delete the comma and insert a semicolon

Page 5, line 34, delete the second "the"

- Page 5, line 35, delete the second comma and insert a semicolon.
- Page 5, line 36, after "in" insert "the"
- Page 6, line 1, after "judgment" insert a comma
- Page 6, line 6, after "attorney" insert a comma
- Page 6, line 6, after "postponing" insert "repossession,"
- Page 6, line 7, delete ", and" and insert ". The petition shall also request the court to determine"
- Page 6, line 8, delete "determining"
- Page 6, line 11, delete "directing and requiring" and insert "to direct"
- Page 6, line 15, after the period, insert "In determining whether to grant the relief requested, the court shall consider whether it would be better for the petitioner to proceed under the federal bankruptcy code."
- Page 6, line 21, delete the comma and insert "or"
- Page 6, line 21, after "tolled" insert ", repossession shall be postponed,"
- Page 6, line 22, delete the second "and" and insert a comma
- Page 6, line 22, after "execution" insert ", and sale"
- Page 6, line 31, after "cease" insert a comma
- Page 7, line 9, delete "as"
- Page 7, line 17, delete "and" and insert a period
- Page 7, after line 28, insert:
- "Sec. 13. [REPEALER.]
- This act is repealed effective April 1, 1983.*"
- Page 7, line 33, after the period, insert "Section 13 is effective April 1, 1983."

Renumber the sections in sequence

And when so amended the bill do pass. Mr. Kamrath questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

### SECOND READING OF SENATE BILLS

S.F. Nos. 1657, 1793, 1493, 1930, 1507, 1855, 1449, 1920, 2038, 2172 and 1175 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 1719, 1734, 1611, 522 and 788 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Peterson, C.C. moved that H.F. No. 1576 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and

Administration for comparison with S.F. No. 1507. The motion prevailed.

Mr. Dieterich moved that H.F. No. 1849 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 2172. The motion prevailed.

Mr. Knoll moved that S.F. No. 2095 be taken from the table. The motion prevailed.

S.F. No. 2095: A bill for an act relating to state government; implementing the provisions of certain reorganization orders issued by the commissioner of administration; amending Minnesota Statutes 1980, Sections 176.281; and 474.01, Subdivisions 7a and 7b; and Minnesota Statutes 1981 Supplement, Section 474.03.

### CONCURRENCE AND REPASSAGE

Mr. Knoll moved that the Senate concur in the amendments by the House to S.F. No. 2095 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2095: A bill for an act relating to state government; implementing the provisions of certain reorganization orders issued by the commissioner of administration; clarifying certain regulations relating to professional boxing; amending Minnesota Statutes 1980, Sections 176.281; and 474.01, Subdivisions 7a and 7b; Minnesota Statutes 1981 Supplement, Section 474.03; and Laws 1982, Chapter 375, Section 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 46 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Purfeerst	Stumpf
Belanger	Engler	Lindgren	Ramstad	Taylor
Berg	Frank	Merriam	Rued	Ulland
Berglin	Frederick	Moe, R. D.	Schmitz	Vega
Bernhagen	Frederickson	Nelson	Setzepfandt	Waldorf
Bertram	Hughes	Olhoft	Sikorski	Willet
Chmielewski	Johnson	Pehler	Solon	
Davies	Knoll	Peterson, C.C.	Spear	
Davis	Kroening	Peterson, D.L.	Stern	
Dicklich	Kronebusch	Pillsbury	Stokowski	

Messrs. Benson and Kamrath voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that H.F. No. 1220 be stricken from General Orders and, pursuant to Joint Rule 2.03, be referred to the Committee on Rules and Administration. The motion prevailed.

### SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved to take up the Senate 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. 1637: A bill for an act relating to state investment policy; prohibiting certain investments in countries not following human rights standards; proposing new law coded in Minnesota Statutes, Chapter 11A.

Mr. Spear moved that S.F. No. 1637 be stricken from the Calendar and placed at the top of General Orders. The motion prevailed.

H.F. No. 1707: A bill for an act relating to transportation; allowing certain vehicles to cross certain railroad crossings without stopping; removing the requirement for designated routes for certain buses; modifying the public transit capital grant assistance program; providing for public transit contract procedures; amending Minnesota Statutes 1980, Sections 169.28; 169.29; 169.80, Subdivisions 2 and 2a; 174.245; Laws 1981, Chapter 363, Section 55, Subdivision 1, as amended; repealing Minnesota Statutes 1980, Section 219.21.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, R. W.	Spear
Belanger	Dieterich	Lantry	Petty	Stern
Benson	Engler	Lindgren	Pillsbury	Stokowski
Berg	Frank	Luther	Purfeerst	Stumpf
Berglin	Frederick	Menning	Ramstad	Taylor
Bernhagen	Frederickson	Merriam	Renneke	Ulland
Bertram	Hughes	Moe, R. D.	Rued	Vega
Brataas	Johnson	Nelson	Schmitz	Waldorf
Chmielewski	Kamrath	Olhöft	Setzepfandt	Wegener
Dahl	Knoll	Pehler	Sieloff	Willet
Davies	Kroening	Peterson, C. C.	Sikorski	
Davis	Kronebusch	Peterson, D. L.	Solon	

Mr. Penny voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 1499: A bill for an act relating to the commitment of persons who are mentally ill, mentally ill and dangerous, mentally retarded, or chemically dependent; providing for informal admissions by consent, involuntary emergency admissions and for involuntary commitment by civil judicial procedures; providing for rights of persons admitted under voluntary, emergency or involuntary judicial procedures; requiring pre-petition screening; providing for commitment hearings and procedures in conformance with due process; requiring a hearing and review 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.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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, D.L.	Solon
Belanger	Dieterich	Lantry	Peterson, R.W.	Spear
Benson	Engler	Lindgren	Petty	Stern
Berg	Frank	Luther	Pillsbury	Stokowski
Berglin	Frederick	Menning	Purfeerst	Stumpf
Bernhagen	Frederickson	Merriam	Ramstad	Taylor
Bertram	Hughes	Moe, R. D.	Renneke	Tennessee
Brataas	Johnson	Nelson	Rued	Ulland
Chmielewski	Kamrath	Olhoff	Schmitz	Vega
Dahl	Knoll	Pehler	Setzepfandt	Waldorf
Davies	Kroening	Penny	Sieloff	Wegener
Davis	Kronebusch	Peterson, C.C.	Sikorski	Willet

So the bill passed and its title was agreed to.

H.F. No. 2073: A bill for an act relating to resource recovery; permitting the use of waste oil burners in certain gasoline stations and garages; proposing new law coded in Minnesota Statutes, Chapter 299F.

With the unanimous consent of the Senate, Mr. Merriam moved that the amendment made to H.F. No. 2073 by the Committee on Rules and Administration in the report adopted March 6, 1982, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 2073 was read the third time 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	Langseth	Peterson, D.L.	Solon
Belanger	Dieterich	Lantry	Peterson, R.W.	Spear
Benson	Engler	Lindgren	Petty	Stern
Berg	Frank	Luther	Pillsbury	Stokowski
Berglin	Frederick	Menning	Purfeerst	Stumpf
Bernhagen	Frederickson	Merriam	Ramstad	Taylor
Bertram	Hughes	Moe, R. D.	Renneke	Tennessee
Brataas	Johnson	Nelson	Rued	Ulland
Chmielewski	Kamrath	Olhoff	Schmitz	Vega
Dahl	Knoll	Pehler	Setzepfandt	Waldorf
Davies	Kroening	Penny	Sieloff	Wegener
Davis	Kronebusch	Peterson, C.C.	Sikorski	Willet

So the bill passed and its title was agreed to.

H.F. No. 1235: A bill for an act relating to state lands; authorizing the conveyance by the state of its interest in certain lands in Lyon County and Wright County.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.



The roll was called, and there were yeas 54 and nays 6, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, C. C.	Solon
Belanger	Dieterich	Lantry	Peterson, R. W.	Spear
Benson	Engler	Lindgren	Petty	Stern
Berglin	Frank	Luther	Pillsbury	Stokowski
Bernhagen	Frederick	Menning	Purfeerst	Stumpf
Bertram	Frederickson	Merriam	Ramstad	Taylor
Brataas	Hughes	Moe, R. D.	Renneke	Tennessee
Chmielewski	Johnson	Nelson	Rued	Ulland
Dahl	Kamrath	Olhoft	Schmitz	Vega
Davies	Knoll	Pehler	Sieloff	Wegener
Davis	Kronebusch	Penny	Sikorski	

Those who voted in the negative were:

Berg	Peterson, D. L.	Setzpfandt	Waldorf	Willet
Kroening				

So the bill passed and its title was agreed to.

H.F. No. 1863: A bill for an act relating to credit unions; providing for approval of amendments to certificates of organization and bylaws; authorizing the board of directors to appoint a credit committee or a credit manager; prescribing the powers of a credit committee and credit manager; allowing certain nonmembers to establish individual retirement accounts; amending Minnesota Statutes 1980, Sections 52.02; 52.08; 52.09, Subdivisions 2 and 3; 52.10; and 52.135.

Was read the third time 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	Langseth	Peterson, D. L.	Solon
Belanger	Dieterich	Lantry	Peterson, R. W.	Spear
Benson	Engler	Lindgren	Petty	Stern
Berg	Frank	Luther	Pillsbury	Stokowski
Berglin	Frederick	Menning	Purfeerst	Stumpf
Bernhagen	Frederickson	Merriam	Ramstad	Taylor
Bertram	Hughes	Moe, R. D.	Renneke	Tennessee
Brataas	Johnson	Nelson	Rued	Ulland
Chmielewski	Kamrath	Olhoft	Schmitz	Vega
Dahl	Knoll	Pehler	Setzpfandt	Waldorf
Davies	Kroening	Penny	Sieloff	Wegener
Davis	Kronebusch	Peterson, C. C.	Sikorski	Willet

So the bill passed and its title was agreed to.

H.F. No. 1906: A bill for an act relating to local government; allowing the city of Orr and the town of Leiding to assess the cost of maintenance of television relay service.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Pillsbury	Stokowski
Belanger	Engler	Lindgren	Purfeerst	Stumpf
Benson	Frank	Luther	Ramstad	Taylor
Berg	Frederick	Menning	Renneke	Tennessee
Berglin	Frederickson	Merriam	Rued	Ulland
Bernhagen	Hughes	Moe, R. D.	Schmitz	Vega
Bertram	Johnson	Nelson	Setzepfandt	Waldorf
Chmielewski	Kamrath	Pehler	Sieloff	Wegener
Dahl	Knoll	Penny	Sikorski	Willet
Davies	Kroening	Peterson, C. C.	Solon	
Davis	Kronebusch	Peterson, R. W.	Spear	
Dicklich	Langseth	Petty	Stern	

Messrs. Olhoft and Peterson, D.L. voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 1794: A bill for an act relating to health; providing for an advisory task force to make recommendations on the distribution of funds for maternal and child health care needs; proposing new law coded in Minnesota Statutes, Chapter 145.

Mr. Spear moved that H.F. No. 1794 be stricken from the Calendar and placed at the top of General Orders. The motion prevailed.

H.F. No. 2050: A bill for an act relating to crimes; establishing the crime of commercial bribery; prescribing penalties; 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 56 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Lindgren	Petty	Stumpf
Belanger	Dieterich	Luther	Ramstad	Taylor
Benson	Engler	Menning	Renneke	Tennessee
Berg	Frank	Merriam	Rued	Ulland
Berglin	Frederickson	Moe, R. D.	Schmitz	Vega
Bernhagen	Hughes	Nelson	Setzepfandt	Waldorf
Bertram	Johnson	Olhoft	Sieloff	Wegener
Brataas	Kamrath	Pehler	Sikorski	Willet
Chmielewski	Kroening	Penny	Solon	
Dahl	Kronebusch	Peterson, C. C.	Spear	
Davies	Langseth	Peterson, D. L.	Stern	
Davis	Lantry	Peterson, R. W.	Stokowski	

Messrs. Knoll, Pillsbury and Purfeerst voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1336: A bill for an act relating to financial institutions; redefining "contract for deed" to include sales of mobile homes used as a residence by the seller; amending Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 2.

Mr. Peterson, C.C. moved that S.F. No. 1336 be stricken from the Calendar and placed at the top of General Orders. The motion prevailed.

H.F. No. 1795: A bill for an act relating to the city of Minneapolis; changing

limitations on housing programs in two Minneapolis development districts; amending Laws 1971, Chapter 677.

Was read the third time 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 7, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lantry	Petty	Stern
Belanger	Frank	Lindgren	Pillsbury	Stokowski
Berg	Frederick	Luther	Purfeerst	Taylor
Bernhagen	Frederickson	Menning	Ramstad	Tennessee
Bertram	Hughes	Moe, R. D.	Renneke	Ulland
Brataas	Johnson	Nelson	Rued	Vega
Chmielewski	Kamrath	Olhoft	Schmitz	Waldorf
Dahl	Knoll	Pehler	Setzepfandt	Wegener
Davis	Kroening	Penny	Sieloff	Willet
Dicklich	Kronebusch	Peterson, C. C.	Sikorski	
Dieterich	Langseth	Peterson, R. W.	Solon	

Those who voted in the negative were:

Benson	Davies	Peterson, D. L.	Spear	Stumpf
Bergin	Merriam			

So the bill passed and its title was agreed to.

H.F. No. 1817: A bill for an act relating to transportation; adding a new route to the trunk highway system in substitution of an existing route; discontinuing and removing a route from the trunk highway system; providing for the disposal of surplus property; exempting the state transportation plan from the provisions of the administrative procedure act; requiring driver qualifications and safety requirements for certain motor carriers; regulating building movers and establishing fees; allowing expenditures from the state airports fund for educational programs to promote interest and safety in aeronautics; amending Minnesota Statutes 1980, Sections 161.41; 173.02, Subdivision 2; 174.03, Subdivisions 1 and 2; 360.015, Subdivision 2; 360.017, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 221.011, Subdivision 22; and 221.81; proposing new law coded in Minnesota Statutes, Chapter 221; repealing Minnesota Statutes 1981 Supplement, Section 161.465.

With unanimous consent of the Senate, Mr. Penny moved to amend H.F. No. 1817, as amended pursuant to Rule 49, adopted by the Senate March 5, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1700.)

Strike the first Engler amendment to H.F. No. 1817 adopted March 6, 1982.

The motion prevailed. So the amendment was adopted.

H.F. No. 1817 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	Dicklich	Langseth	Peterson, D. L.	Solon
Bang	Dieterich	Lantry	Peterson, R. W.	Spear
Benson	Engler	Lindgren	Petty	Stern
Berg	Frank	Luther	Pillsbury	Stokowski
Berglin	Frederick	Menning	Purfeerst	Stumpf
Bernhagen	Frederickson	Merriam	Ramstad	Taylor
Bertram	Hughes	Moe, R. D.	Renneke	Tennessee
Brataas	Johnson	Nelson	Rued	Ulland
Chmielewski	Kamrath	Olhoft	Schmitz	Vega
Dahl	Knoll	Pehler	Setzepfandt	Wegener
Davies	Kroening	Penny	Sieloff	Willet
Davis	Kronebusch	Peterson, C. C.	Sikorski	

Mr. Waldorf voted in the negative.

So the bill, as amended, passed and its title was agreed to.

H.F. No. 1456: A bill for an act relating to probate; changing certain records-keeping requirements; amending Minnesota Statutes 1980, Section 525.03; Laws 1979, Chapter 303, Article III, Section 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, D. L.	Solon
Bang	Dieterich	Lantry	Peterson, R. W.	Spear
Benson	Engler	Lindgren	Petty	Stern
Berg	Frank	Luther	Pillsbury	Stokowski
Berglin	Frederick	Menning	Purfeerst	Stumpf
Bernhagen	Frederickson	Merriam	Ramstad	Taylor
Bertram	Hughes	Moe, R. D.	Renneke	Tennessee
Brataas	Johnson	Nelson	Rued	Ulland
Chmielewski	Kamrath	Olhoft	Schmitz	Vega
Dahl	Knoll	Pehler	Setzepfandt	Waldorf
Davies	Kroening	Penny	Sieloff	Wegener
Davis	Kronebusch	Peterson, C. C.	Sikorski	Willet

So the bill passed and its title was agreed to.

H.F. No. 1804: A bill for an act relating to partition fences; exempting certain lands from the provisions of chapter 344; proposing new law coded in Minnesota Statutes, Chapter 344.

Was read the third time 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 6, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, R. W.	Solon
Bang	Dieterich	Lantry	Petty	Spear
Benson	Frank	Lindgren	Pillsbury	Stern
Berg	Frederick	Luther	Purfeerst	Stokowski
Berglin	Frederickson	Menning	Ramstad	Taylor
Bernhagen	Hanson	Moe, R. D.	Renneke	Tennessee
Bertram	Hughes	Nelson	Rued	Ulland
Brataas	Johnson	Olhoft	Schmitz	Vega
Chmielewski	Kamrath	Pehler	Setzepfandt	Waldorf
Dahl	Knoll	Penny	Sieloff	Wegener
Davis	Kronebusch	Peterson, D. L.	Sikorski	Willet

Those who voted in the negative were:

Davies                      Kroening                      Merriam                      Peterson, C.C.                      Stumpf  
Engler

So the bill passed and its title was agreed to.

H.F. No. 1720: A bill for an act relating to retirement; recognizing service covered by multiple retirement funds for entitlement to a disability benefit; proposing new law coded in Minnesota Statutes, Chapter 356.

Was read the third time 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	Lindgren	Pillsbury	Stumpf
Benson	Frank	Luther	Purfeerst	Taylor
Berg	Frederick	Menning	Ramstad	Tennessee
Berglin	Frederickson	Merriam	Renneke	Ulland
Bernhagen	Hanson	Moe, R. D.	Rued	Vega
Bertram	Hughes	Nelson	Schmitz	Waldorf
Brataas	Johnson	Olhoff	Setzepfandt	Wegener
Chmielewski	Kamrath	Pehler	Sieloff	Willett
Dahl	Knoll	Penny	Sikorski	
Davies	Kroening	Peterson, C.C.	Solon	
Davis	Kronebusch	Peterson, D.L.	Spear	
Dicklich	Langseth	Peterson, R.W.	Stem	

So the bill passed and its title was agreed to.

H.F. No. 1735: A bill for an act relating to retirement; Hennepin county supplemental retirement program; providing for a phase out of the program; authorizing current participants to withdraw from the program; providing for an increased withdrawal benefit option in certain instances; amending Laws 1969, Chapter 950, Sections 1, 2, 3, as amended, 4, as amended, 5 and 6; repealing Laws 1969, Chapter 950, 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lessard	Petty	Stokowski
Bang	Frank	Lindgren	Pillsbury	Stumpf
Benson	Frederick	Luther	Purfeerst	Taylor
Berg	Frederickson	Menning	Ramstad	Tennessee
Berglin	Hanson	Merriam	Renneke	Ulland
Bernhagen	Hughes	Moe, R. D.	Rued	Vega
Bertram	Johnson	Nelson	Schmitz	Waldorf
Chmielewski	Kamrath	Olhoff	Setzepfandt	Wegener
Dahl	Knoll	Pehler	Sieloff	Willett
Davies	Kroening	Penny	Sikorski	
Davis	Kronebusch	Peterson, C.C.	Solon	
Dicklich	Langseth	Peterson, D.L.	Spear	
Dieterich	Lantry	Peterson, R.W.	Stem	

So the bill passed and its title was agreed to.

H.F. No. 1234: A bill for an act relating to employees and officials of the

state; hospital and medical benefits for retired or disabled state officials and employees; amending Minnesota Statutes 1980, Section 471.61, Subdivision 2a.

Was read the third time 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 3, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Peterson, D.L.	Spear
Bang	Engler	Lessard	Peterson, R.W.	Stern
Benson	Frank	Lindgren	Petty	Stokowski
Berg	Frederick	Luther	Pillsbury	Stumpf
Berglin	Frederickson	Menning	Purfeerst	Taylor
Bernhagen	Hanson	Merriam	Ramstad	Ulland
Brataas	Hughes	Moe, R. D.	Renneke	Vega
Chmielewski	Johnson	Nelson	Schmitz	Waldorf
Dahl	Kamrath	Olhoft	Setzepfandt	Wegener
Davies	Knoll	Pehler	Sieloff	Willett
Davis	Kroening	Penny	Sikorski	
Dicklich	Langseth	Peterson, C.C.	Solon	

Mr. Bertram, Mrs. Kronebusch and Mr. Rued voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1859: A bill for an act relating to forestry; establishing a forest research management policy and plan; realignment of forestry boundaries; establishing a forest management fund and accounting system; changing certain procedures for timber sales from state and tax-forfeited lands; extending certain timber permits; making various changes in forestry laws; amending Minnesota Statutes 1980, Sections 16A.125, Subdivision 5; 89.001, and by adding subdivisions; 89.01, Subdivision 6; 89.021, Subdivision 1; 89.036; 89.37, Subdivisions 2, 3, 3a, and 4; 90.201; 90.251, Subdivisions 1 and 4; 197.447; 282.01, Subdivisions 1 and 3; 282.02; and 282.132; Minnesota Statutes 1981 Supplement, Section 282.04, Subdivision 1; Laws 1981, Chapter 305, Section 11; proposing new law coded in Minnesota Statutes, Chapters 88, 89, 90, and 282; repealing Minnesota Statutes 1980, Sections 282.031; 282.032; 282.033; 282.034; 282.035; 282.036; and 282.037.

Was read the third time 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	Lessard	Petty	Stokowski
Bang	Engler	Lindgren	Pillsbury	Stumpf
Benson	Frank	Luther	Purfeerst	Taylor
Berg	Frederick	Menning	Ramstad	Tennessee
Berglin	Frederickson	Merriam	Renneke	Ulland
Bernhagen	Hanson	Moe, R. D.	Rued	Vega
Bertram	Johnson	Nelson	Schmitz	Waldorf
Brataas	Kamrath	Olhoft	Setzepfandt	Wegener
Chmielewski	Knoll	Pehler	Sieloff	Willett
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 passed and its title was agreed to.

H.F. No. 1786: A bill for an act relating to agriculture; changing certain procedures relating to fertilizers and soil and plant amendments; imposing a penalty; amending Minnesota Statutes 1980, Sections 17.713, by adding a subdivision; 17.721, Subdivision 2; and 17.728, as amended; Minnesota Statutes 1981 Supplement, Sections 17.713, Subdivisions 8, 12, 17a, and 20; 17.714, Subdivision 2; 17.716, Subdivision 6; 17.719, Subdivision 1, and by adding a subdivision; 17.721, Subdivision 1; 17.725, Subdivision 1; and 17.726; proposing new law coded in Minnesota Statutes, Chapter 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Peterson, R. W.	Stokowski
Bang	Engler	Lessard	Petty	Stumpf
Benson	Frank	Lindgren	Pillsbury	Taylor
Berg	Frederick	Luther	Purfeerst	Tennessen
Berglin	Frederickson	Menning	Ramstad	Ulland
Bernhagen	Hanson	Merriam	Renneke	Vega
Bertram	Hughes	Moe, R. D.	Rued	Waldorf
Brataas	Johnson	Nelson	Schmitz	Wegener
Chmielewski	Kamrath	Olhoff	Setzepfand	Willet
Dahl	Knoll	Pehler	Sielöf	
Davies	Kroening	Penny	Solon	
Davis	Kronebusch	Peterson, C. C.	Spear	
Dicklich	Langseth	Peterson, D. L.	Stern	

So the bill passed and its title was agreed to.

### SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved to take up the Consent Calendar, and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

### CONSENT CALENDAR

H.F. No. 1603: A bill for an act relating to education; requiring the board of teaching and the state board of education to accept completion of certain training programs in lieu of the human relations components required for licensure; amending Minnesota Statutes 1980, Section 125.05, 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Petty	Stokowski
Bang	Engler	Lessard	Pillsbury	Stumpf
Benson	Frank	Luther	Purfeerst	Taylor
Berg	Frederick	Menning	Ramstad	Tennessee
Berglin	Frederickson	Merriam	Renneke	Ulland
Bernhagen	Hanson	Moe, R. D.	Rued	Vega
Bertram	Hughes	Nelson	Schmitz	Waldorf
Brataas	Johnson	Olhoft	Setzepfandt	Wegener
Chmielewski	Kamrath	Pehler	Sieloff	Willet
Dahl	Knoll	Penny	Sikorski	
Davies	Kroening	Peterson, C. C.	Solon	
Davis	Kronebusch	Peterson, D. L.	Spear	
Dicklich	Langseth	Peterson, R. W.	Stern	

So the bill passed and its title was agreed to.

H.F. No. 1580: A bill for an act relating to state lands; providing for the conveyance of certain tax forfeited lands.

Was read the third time 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	Kronebusch	Penny	Sieloff
Bang	Dieterich	Langseth	Peterson, C. C.	Sikorski
Benson	Engler	Lantry	Peterson, D. L.	Solon
Berg	Frank	Lessard	Peterson, R. W.	Spear
Berglin	Frederick	Lindgren	Petty	Stern
Bernhagen	Frederickson	Luther	Pillsbury	Stokowski
Bertram	Hanson	Menning	Purfeerst	Stumpf
Brataas	Hughes	Merriam	Ramstad	Tennessee
Chmielewski	Johnson	Moe, R. D.	Renneke	Ulland
Dahl	Kamrath	Nelson	Rued	Vega
Davies	Knoll	Olhoft	Schmitz	Wegener
Davis	Kroening	Pehler	Setzepfandt	Willet

So the bill passed and its title was agreed to.

H.F. No. 1231: A bill for an act relating to state lands; directing conveyance of certain lands in Washington County.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Peterson, D. L.	Solon
Bang	Engler	Lessard	Peterson, R. W.	Spear
Benson	Frank	Lindgren	Petty	Stern
Berg	Frederickson	Luther	Pillsbury	Stokowski
Bernhagen	Hanson	Menning	Purfeerst	Stumpf
Bertram	Hughes	Merriam	Ramstad	Taylor
Brataas	Johnson	Moe, R. D.	Renneke	Tennessee
Chmielewski	Kamrath	Nelson	Rued	Ulland
Dahl	Knoll	Olhoft	Schmitz	Vega
Davies	Kroening	Pehler	Setzepfandt	Waldorf
Davis	Kronebusch	Penny	Sieloff	Wegener
Dicklich	Langseth	Peterson, C. C.	Sikorski	Willet

So the bill 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. 378: Ms. Berglin; Messrs. Peterson, R.W. and Ramstad.

S.F. No. 1856: Messrs. Spear, Ashbach and Nelson.

H.F. No. 552: Messrs. Peterson, R.W.; Bernhagen and Dahl.

H.F. No. 1555: Messrs. Dieterich, Merriam, Hughes, Langseth and Rued.

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. Lindgren; Peterson, D.L.; Ramstad; Knutson and Ashbach introduced—

S.F. No. 2217: A bill for an act relating to local government; establishing an advisory council on school district finance; proposing new law coded as Minnesota Statutes, Chapter 15B.

Referred to the Committee on Education.

Messrs. Hanson and Davies introduced—

S.F. No. 2218: A bill for an act relating to Minnesota Statutes; standardizing the form of references to the United States Code, the Code of Federal Regulations, and miscellaneous other foreign publications; correcting obsolete forms of reference to Minnesota laws; replacing requirements that certain officers comply with provisions of law previously repealed with the text of the provisions with which they must comply; removing references to certain obsolete compilations of law; replacing references to certain obsolete compilations of law with their current equivalents; updating references to federal law and regulations to the most recent enactment; amending Minnesota Statutes 1980, Sections 4.073; 9.36, Subdivisions 1 and 2; 15.15; 15.162, Subdivision 5; 15.1693, Subdivisions 2 and 4; 16.011; 16A.17, Subdivision 1; 16A.35; 17.694, Subdivision 3; 17A.05, Subdivisions 1 and 2; 18A.21, Subdivision 15; 21.49, Subdivision 1; 31.01, Subdivisions 30 and 32; 31.101, Subdivisions 7, 8 and 28; 31.103, Subdivision 1; 31A.02, Subdivisions 17 and 18; 40.01, Subdivision 13; 40.07, Subdivision 14; 40.072, Subdivision 3; 48.24, Subdivision 6; 48.245; 48.56; 48.59, Subdivision 3; 48.605, Subdivision 1; 48.63; 50.24; 51A.37, Subdivision 3; 54.27, Subdivision 1; 60A.21, Subdivision 1; 61A.245, Subdivision 2; 61A.25, Subdivision 4; 62D.22, Subdivision 4; 62D.30, Subdivision 1; 62E.02, Subdivision 15; 65A.32; 72A.13, Subdivision 2; 72A.17; 72A.33; 72A.40; 84.027, Subdivisions 4, 5 and 6;

84.523, Subdivision 1; 84.43, Subdivision 2; 84B.01, Subdivision 1; 85.33, Subdivision 2; 88.37; 88.38; 88.40; 88.41; 90.50, Subdivision 1; 92.163, Subdivision 2; 98.47, Subdivisions 8 and 17; 100.29, Subdivision 32; 104.08, Subdivision 1; 104.25, Subdivisions 1 and 2; 104.39; 105.401, Subdivision 2; 111.35; 115.03, Subdivisions 1, 6 and 7; 115.44, Subdivision 5; 116.16, Subdivisions 2 and 10; 1161.05; 1161.06, Subdivision 4; 117.52; 117.53; 120.02, Subdivision 14; 120.83, Subdivision 1; 121.48, Subdivision 1; 123.35, Subdivision 12; 123.77, Subdivision 5; 123.932, Subdivision 3; 124.38, Subdivision 2; 124.615; Subdivision 1; 124.625; 124.645, Subdivision 1; 124.67; 124.68; 124.79; 129A.03; 136.43; 136.44; 136.45; 136.502; 136.55, Subdivision 1; 136.67, Subdivision 2; 136.70, Subdivision 1; 138.081, Subdivisions 2 and 3; 139.19, Subdivision 2; 144.10; 145.08, Subdivision 4; 145.61, Subdivision 5; 145.833, Subdivisions 7, 9, 10 and 11; 145.835, Subdivision 4; 145.837, Subdivision 2; 145.838, Subdivision 2; 151.01, Subdivision 21; 152.02, Subdivision 4; 152.21, Subdivision 5; 154.16; 160.276, Subdivision 3; 160.278, Subdivision 1; 161.242, Subdivision 6; 161.433, Subdivision 1; 168.27, Subdivision 12; 173.01; 173.04, Subdivision 5; 173.185, Subdivision 1; 174.245, Subdivision 2; 176.041, Subdivision 1; 177.23, Subdivision 7; 178.03, Subdivisions 3 and 4; 181.73, Subdivision 2; 181A.11; 181B.02, Subdivision 7; 181B.07; 182.651, Subdivision 8; 192.261, Subdivision 5; 192.261, Subdivision 6; 192A.015; 216A.11, Subdivision 2; 216A.12; 216B.165, Subdivisions 1 and 2; 222.48, Subdivision 7; 237.03; 243.51, Subdivision 2; 243.88, Subdivision 2; 245.70; 256B.065; 256B.22; 256D.36, Subdivision 1; 268.04, Subdivisions 12 and 25; 268.06, Subdivisions 1, 4, 5, 28 and 32; 268.071, Subdivision 1; 268.09, Subdivisions 4 and 7; 268.12, Subdivisions 11 and 12; 268.14, Subdivision 6; 268.23; 268.37, Subdivision 2; 268.40, Subdivision 1; 273.1105, Subdivision 2; 273.52; 281.275; 281.39; 282.01, Subdivision 9; 282.14; 290.36; 296.28; 299A.03, Subdivision 6; 299C.50; 299F.56, Subdivision 2; 299F.60, Subdivision 3; 299F.63, Subdivision 3; 302.021, Subdivision 1; 308.08; 309.515, Subdivision 1; 315.12; 317.165, Subdivision 1; 325A.01, Subdivision 5; 325F.10; 334.16, Subdivision 2; 347.40; 352E.01, Subdivision 4; 354A.021, Subdivisions 1, 2 and 5; 355.01, Subdivision 9; 355.47, Subdivision 2; 356.454; 360.0161, Subdivision 2; 360.075, Subdivision 1; 360.55, Subdivision 3; 360.59, Subdivision 10; 362.41, Subdivision 3; 373.39; 375.471; 458.192, Subdivision 13; 462.445, Subdivision 5; 462A.21, Subdivision 7; 471.615; 471.655; 472.03, Subdivisions 11 and 13; 473.141, Subdivision 14; 473.568, Subdivision 1; 473F.06; 501.115, Subdivisions 1 and 3; 501.74; 524.3-916; 525.528; 540.153; 571.35, Subdivision 2; 580.15; 600.24; 624.71, Subdivisions 1 and 2; 626.557, Subdivision 2; 626A.02, Subdivision 2; 645.31, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 9.061, Subdivision 2; 17.72; 47.20, Subdivision 2; 47.203; 47.204, Subdivision 1; 48.06; 60A.17, Subdivision 13; 61A.281, Subdivision 4; 62A.21, Subdivision 2b; 97.461, Subdivision 1; 97.488, Subdivision 2; 105.416, Subdivision 2; 111.11; 115A.24, Subdivision 2; 116.18, Subdivision 1; 116H.02, Subdivision 3; 116H.09, Subdivision 1; 116H.129, Subdivisions 2, 5 and 7; 116H.17; 116H.23; 136.87, Subdivision 1; 144.55, Subdivision 3; 144.704, Subdivision 2; 144.801, Subdivision 8; 145.834; 145.845; 145.97; 161.242, Subdivision 4; 168.013, Subdivisions 1a and 1e; 169.44, Subdivision 14; 169.974, Subdivision 2; 176.111, Subdivision 21; 176.132, Subdivision 2; 181.90; 183.465; 190.05, Subdivisions 1 and 7; 192.11; 204D.11, Subdivision 4; 216B.164, Subdivisions 2 and 3; 257.071, Subdivision 4; 273.13, Subdivision 7; 290.01, Subdivision 20; 290.09, Subdivision 5; 290.091; 290.132, Subdivision 2; 290.92, Subdivision 16; 290.971, Subdivision 7; 290A.03, Subdivision 3; 291.05; 297A.01, Subdivi-

sion 3; 297A.25, Subdivision 1; 303.02, Subdivision 3; 326.243; 327.20, Subdivision 1; 327.32, Subdivision 8; 327.35, Subdivision 7; 334.061; 352.115, Subdivision 10; 353.37, Subdivision 1; 353.64, Subdivision 7; 354A.31, Subdivision 3; 354.44, Subdivisions 1a and 5; 354A.21; 462C.05, Subdivision 1; 462C.10; 500.24, Subdivisions 2 and 3; 501.76, Subdivision 1; 609.52, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 111.

Referred to the Committee on Judiciary.

Mr. Willet, for the Committee on Finance, introduced—

S.F. No. 2219: A bill for an act relating to the organization and operation of state government; providing for deficiencies in and supplementing appropriations for the expenses of state government with certain conditions; fixing and limiting fees; imposing various cost saving measures; providing matching money for a microelectronic and information sciences center; altering certain provisions concerning the regulation of shoreland use and development in municipalities; authorizing collection of debts related to trunk highways; authorizing a certified state development company; appropriating money; amending Minnesota Statutes 1980, Sections 105.485, Subdivision 6; 161.20, by adding a subdivision; 296.13; 388.20, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 15.0412, Subdivision 4; 15.052, Subdivision 5, as amended; 214.06, Subdivision 1; 239.10; Laws 1981, Chapter 356, Section 31, Subdivision 5; Third Special Session Chapter 2, Article I, Section 2, Subdivision I, Paragraph (k); proposing new law coded in Minnesota Statutes, Chapters 197, 214, and 362.

Mr. Willet moved that S.F. No. 2219 be laid on the table. The motion prevailed.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Dieterich moved that the following members be excused for a Conference Committee on H.F. No. 1555:

Messrs. Dieterich, Merriam, Hughes, Langseth and Rued. 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. Menning in the chair.

After some time spent therein, the committee arose, and Mr. Menning reported that the committee had considered the following:

S.F. Nos. 1336, 1765, 1682, 588, 2127, 2053, 1714 and H.F. Nos. 1430; 2077, 1710, 1652, 1068, 1283, 773, 1573 and 1455 which the committee recommends to pass.

H.F. No. 1185, which the committee recommends be returned to the Com-

mittee on Transportation.

S.F. No. 1767, which the committee recommends be returned to the Committee on Taxes and Tax Laws.

H.F. No. 1794, which the committee recommends to pass, subject to the following motion:

Mr. Spear moved that the amendment made to H.F. No. 1794 by the Committee on Rules and Administration in the report adopted March 6, 1982, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S.F. No. 1637, which the committee recommends to pass with the following amendment offered by Mr. Spear:

Delete everything after the enacting clause and insert:

“Section 1. [11A.26] [PROHIBITED INVESTMENTS.]

*Subdivision 1. [POLICY.] The legislature finds that the present government of the Republic of South Africa, through its legally sanctioned policies of racial discrimination, is violative of both the substance and the intent of Minnesota laws protecting individuals from unjust discrimination. Therefore, it is the intention of the legislature to prohibit future investments and deposits in financial institutions lending money to the government of the Republic of South Africa or any of its agencies.*

*Subd. 2. [DEFINITIONS.] As used in this section, the following terms shall have the meanings given them:*

(1) “Financial institution” means any federally or state chartered bank, savings and loan, thrift institution, or any other institution permitted by state or federal law to receive deposits of money and to pay out that money through loans, draft accounts, or the sale of financial institution securities;

(2) “Financial institution securities” means any stock or bond issued by a financial institution, and any certificate of deposit, bankers acceptance, or other negotiable security issued by a financial institution.

(3) “National corporation” includes a corporation or a subsidiary or affiliate of a corporation that is more than 50 percent owned or operated by the government of the Republic of South Africa.

*Subd. 3. [PROHIBITED INVESTMENTS AND DEPOSITS IN FINANCIAL INSTITUTIONS.] The state board shall not purchase or acquire any financial institution security issued by a financial institution that after January 1, 1983 participates in any loans to the government of the Republic of South Africa or any South African government agency or to any South African national corporation. Nor shall the state board deposit any assets of the board in such financial institutions.*

*A financial institution ineligible to receive state board investments and deposits may establish eligibility if documentary evidence is submitted to the state board of investment which is sufficient to establish that the financial institution has adopted a written policy that prohibits the lending of its assets to the government of the Republic of South Africa or any of its agencies. For purposes of this section, “documentary evidence” shall include, as a min-*

*imum, an executed affidavit by an appropriate officer of the financial institution, in a form prepared by the board, attesting to the fact that the financial institution prohibits the lending of its assets to the government of the Republic of South Africa or any of its agencies. The board shall also attempt to verify compliance by reference to sources of information not affiliated with the corporation or financial institution.*

Sec. 2. [APPLICABILITY.]

*The prohibitions contained in section 1, subdivision 3, apply to all investments and deposits authorized in section 11A.24.*

The motion prevailed. So the amendment was adopted.

H. F. No. 1885, which the committee recommends to pass with the following amendments offered by Mr. Sikorski:

Mr. Sikorski moved to amend H. F. No. 1885 as follows:

Page 1, after line 15, insert:

Sec. 2. Minnesota Statutes 1981 Supplement, Section 256D.03, Subdivision 4, is amended to read:

Subd. 4. [GENERAL ASSISTANCE MEDICAL CARE.] (a) Notwithstanding the provisions of 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 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~~ *day treatment services provided by a mental health center established under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for prescribed medications* for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) 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 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 section 256.966, 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. Reductions below the payments allowable under section 256.967 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."

Page 1, line 17, delete "*Section 1 is*" and insert "*Sections 1 and 2 are*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period insert "; allowing payment for day treatment services provided by certain mental health centers through general assistance; amending Minnesota Statutes 1981 Supplement, Section 256D.03, Subdivision 4"

The motion prevailed. So the amendment was adopted.

Mr. Sikorski then moved to amend H.F. No. 1885 as follows:

Page 1, line 8, before "*Until*" insert "*Notwithstanding the provisions of section 15.0412, subdivision 5,*"

The motion prevailed. So the amendment was adopted.

H.F. No. 1589, which the committee recommends to pass with the following amendment offered by Mrs. Kronebusch:

Page 1, line 19, after "*city*" insert "*or town*"

The motion prevailed. So the amendment was adopted.

H.F. No. 2134, which the committee recommends to pass with the following amendment offered by Mr. Olhoft:

Amend H.F. No. 2134, as amended pursuant to Rule 49, adopted by the Senate March 4, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 2155.)

Page 1, line 24, delete "*shall*" and insert "*may*"

The motion prevailed. So the amendment was adopted.

H.F. No. 623, which the committee recommends to pass with the following amendment offered by Mr. Olhoft:

Amend H.F. No. 623, the unofficial engrossment, as follows:

Page 1, lines 14 and 23, delete "*10*" and insert "*15*"

The motion prevailed. So the amendment was adopted.

H.F. No. 1751, which the committee recommends to pass with the following amendment offered by Mr. Solon:

Page 2, lines 14 to 18, reinstate the stricken language

The motion prevailed. So the amendment was adopted.

H.F. No. 1635, which the committee recommends to pass with the follow-

ing amendment offered by Mr. Hanson:

Page 1, after line 25, insert:

"Sec. 2. [CONVEYANCE OF LAND; LAKE OF THE WOODS COUNTY.]

*The commissioner of revenue shall convey, without monetary consideration, by quitclaim deed in a form approved by the attorney general to Lake of the Woods County, all right, title and interest of the state in and to that certain tract of land located within the county of Lake of the Woods, Minnesota, and described as:*

*All of Block Seventeen (17), East Beaudette, Minnesota, according to the recorded plat thereof.*

Sec. 3. [CONVEYANCE OF LAND; BELTRAMI COUNTY.]

*The commissioner of revenue shall convey, without monetary consideration, by quitclaim deed in a form approved by the attorney general to Beltrami County, all right, title and interest of the state in and to that certain tract of land located within the county of Beltrami, Minnesota, and described as:*

*West Half of South Half of East Quarter of Southwest Quarter of Southeast Quarter (W 1/2 of S 1/2 of E 1/4 of SW 1/4 of SE 1/4), less North One Hundred Thirty-two (132) feet, Section Five (5), Township One Hundred Forty-six (146), Range Thirty-three (33).*

*South Two Hundred (200) feet of North Three Hundred Thirty-two (332) feet of East Half of South Half of East Quarter of Southwest Quarter of Southeast Quarter (E 1/2 of S 1/2 of E 1/4 of SW 1/4 of SE 1/4), Section Five (5), Township One Hundred Forty-six (146), Range Thirty-three (33)."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period, insert "": directing conveyances of the state's right, title and interest in certain lands to Lake of the Woods County and Beltrami County"

The motion prevailed. So the amendment was adopted.

H.F. No. 1831, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Amend H.F. No. 1831, as amended pursuant to Rule 49, adopted by the Senate March 5, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1834.)

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1980, Section 268.09, Subdivision 1, is amended to read:

Subdivision 1. [DISQUALIFYING CONDITIONS.] An individual shall be disqualified for waiting week credit and benefits for the duration of his unemployment and until he has earned four times his weekly benefit amount in insured work if he is separated from employment under any of the following

conditions:

(1) [VOLUNTARY LEAVE.] The individual voluntarily and without good cause attributable to the employer discontinued his employment with such employer. For the purpose of this clause, a separation from employment by reason of its temporary nature or for inability to pass a test or for inability to meet performance standards necessary for continuation of employment shall not be deemed voluntary.

*A separation shall be for good cause attributable to the employer if it occurs as a consequence of sexual harassment. Sexual harassment means unwelcome sexual advances, requests for sexual favors, sexually motivated physical contact or other conduct or communication of a sexual nature when: (1) the employee's submission to such conduct or communication is made a term or condition of the employment, (2) the employee's submission to or rejection of such conduct or communication is the basis for decisions affecting employment, or (3) such conduct or communication has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment and the employer knows or should know of the existence of the harassment and fails to take timely and appropriate action.*

(2) [DISCHARGE FOR MISCONDUCT.] The individual was discharged for misconduct, not amounting to gross misconduct connected with his work or for misconduct which interferes with and adversely affects his employment.

An individual shall not be disqualified under clauses (1) and (2) of this subdivision under any of the following conditions:

(a) The individual voluntarily discontinued his employment to accept work offering substantially better conditions of work or substantially higher wages or both;

(b) The individual is separated from employment due to his own serious illness provided that such individual has made reasonable efforts to retain his employment;

An individual who is separated from his employment due to his illness of chemical dependency which has been professionally diagnosed or for which he has voluntarily submitted to treatment and who fails to make consistent efforts to maintain the treatment he knows or has been professionally advised is necessary to control that illness has not made reasonable efforts to retain his employment.

(c) The individual accepts work from a base period employer which involves a change in his location of work so that said work would not have been deemed to be suitable work under the provisions of subdivision 2 and within a period of 13 weeks from the commencement of said work voluntarily discontinues his employment due to reasons which would have caused the work to be unsuitable under the provision of said subdivision 2;

(d) The individual left employment because he had reached mandatory retirement age and was 65 years of age or older; or

(e) The individual is terminated by his employer because he gave notice of intention to terminate employment within 30 days. This exception shall be effective only through the calendar week which includes the date of intended



termination, provided that this exception shall not result in the payment of benefits for any week for which he receives his normal wage or salary which is equal to or greater than his weekly benefit amount;

(f) The individual is separated from employment due to the completion of an apprenticeship program, or segment thereof, approved pursuant to chapter 178.

(3) [DISCHARGE FOR GROSS MISCONDUCT.] The individual was discharged for gross misconduct connected with his work or gross misconduct which interferes with and adversely affects his employment and provided further that the commissioner is empowered to impose a total disqualification for the benefit year and to cancel part or all of the wage credits from the last employer from whom he was discharged for gross misconduct connected with his work.

For the purpose of this clause "gross misconduct" shall be defined as misconduct involving assault and battery or the malicious destruction of property or the theft of money or property of a value of \$100 or more or arson or sabotage or embezzlement. However, no person shall be deemed to have been discharged for gross misconduct for purposes of this chapter unless (1) the person makes an admission to the conduct in writing or under oath, or (2) the person is found to have engaged in such conduct by an appeals tribunal established pursuant to section 268.10, or (3) the person has been convicted by a court of competent jurisdiction of acts constituting gross misconduct.

(4) [LIMITED OR NO CHARGE OF BENEFITS.] Benefits paid subsequent to an individual's separation under any of the foregoing clauses, excepting clauses (2)(c) and (2)(e), shall not be used as a factor in determining the future contribution rate of the employer from whose employment such individual separated.

Benefits paid subsequent to an individual's failure, without good cause, to accept an offer of suitable re-employment shall not be used as a factor in determining the future contribution rate of the employer whose offer of re-employment he failed to accept or whose offer of re-employment was refused solely due to the distance of the available work from his residence, the individual's own serious illness or his other employment at the time of the offer.

(5) An individual who was employed by an employer shall not be disqualified for benefits under this subdivision for any acts or omissions occurring after his separation from employment with the employer."

Page 2, line 11, delete "*This act*" and insert "*Section 1*"

Page 2, line 11, after "*enactment*" insert "*and applies to any separation from employment occurring on or after that date*"

Page 2, line 11, after the period, insert "*Section 2 is effective the day after final enactment.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2 after "rights;" insert "clarifying that quitting work due to sexual harassment does not result in benefit disqualification;"

Page 1, line 5, delete "Section" and insert "Sections 268.09, Subdivision

I; and”

The motion prevailed. So the amendment was adopted.

H.F. No. 2011, which the committee recommends to pass, subject to the following motion:

Mr. Tennesen moved that the amendment made to H.F. No. 2011 by the Committee on Rules and Administration in the report adopted March 6, 1982, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 560, which the committee recommends to pass with the following amendment offered by Mr. Daviès:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1980, Section 117.195, is amended to read:

117.195 [INTEREST; AWARD, WHEN PAYABLE; DISMISSAL; COSTS.]

*Subdivision 1. [AWARD; INTEREST.] All damages allowed under this chapter, whether by the commissioners or upon appeal, shall bear interest from the time of the filing of the commissioner’s report or from the date of the petitioner’s possession whichever occurs first. If the award is not paid within 70 days after ~~such~~ the filing, or, in case of an appeal within 45 days after final judgment, or within 45 days after a stipulation of settlement, the court, on motion of the owner of the land, shall vacate the award and dismiss the proceedings as against ~~such~~ the land.*

*Subd. 2. [COSTS.] When the proceeding is ~~so~~ dismissed for nonpayment or the same is discontinued by the petitioner, the owner may recover from the petitioner reasonable costs and expenses including attorneys’ fees. In the discretion of the court, the owner may also recover from the petitioner reasonable costs and expenses, including attorneys’ fees, if a condemnation proceeding is dismissed because a court has held that condemnation shall not lie based on a challenge made under the Minnesota Environmental Rights Act. If the court awards costs and expenses, including attorneys’ fees, and if the condemnation proceeding is part of a project or proposal which has received an environmental review pursuant to the Minnesota environmental policy act, or siting or routing selection pursuant to sections 116C.51 to 116C.69, the costs and expenses, including attorney fees, shall be paid by the governmental unit responsible for the review or selection.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete “Section” and insert “Sections 117.195; and”

The motion prevailed. So the amendment was adopted.

H.F. No. 1663, which the committee recommends to pass with the following amendment offered by Mr. Pehler:

Amend H.F. No. 1663, as amended pursuant to Rule 49, adopted by the Senate March 6, 1982, as follows:

(The text of the amended House File is identical to S.F. No. 1611.)

Page 1, after line 12, insert:

“Section 1. Minnesota Statutes 1980, Section 134.34, is amended by adding a subdivision to read:

*Subd. 6. [REGIONAL LIBRARY DIRECTOR QUALIFICATIONS.] Graduation with a masters degree in library media from a university accredited by a regional accrediting association shall qualify an individual for employment as a regional library director. The state board of education shall adopt rules pursuant to chapter 15 to comply with the requirements of this subdivision.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert “prescribing qualifications for regional library directors;”

The motion prevailed. So the amendment was adopted.

H.F. No. 1092, which the committee recommends to pass with the following amendment offered by Mr. Bang:

Page 2, line 36, delete “1981” and insert “1982”

Page 3, line 9, delete “1981” and insert “1982”

The motion prevailed. So the amendment was adopted.

S.F. No. 1873, which the committee recommends to pass with the following amendments offered by Messrs. Chmielewski and Dieterich:

Mr. Chmielewski moved to amend S.F. No. 1873 as follows:

Page 2, after line 34, insert:

*“Nothing in the section exempts property on the fairgrounds or the fairgrounds itself, which are otherwise taxable, from being subject to real and personal property taxes pursuant to chapters 272 to 275 and chapter 471.”*

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend S.F. No. 1873 as follows:

Page 8, line 9, reinstate the stricken language

The motion prevailed. So the amendment was adopted.

On motion of Mr. Menning, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

#### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Sieloff imposed a call of the Senate for the balance of this evening's Session, and requested that a record be made of those present.

The roll was called, and the following Senators answered to their names:

Bang	Frank	Lessard	Peterson, D.L.	Stern
Berg	Frederick	Lindgren	Peterson, R.W.	Stokowski
Berglin	Frederickson	Luther	Petty	Stumpf
Bernhagen	Hanson	Menning	Ramstad	Taylor
Bertram	Johnson	Merriam	Renneke	Tennesen
Chmielewski	Kamrath	Moe, R.D.	Rued	Vega
Davies	Knoll	Nelson	Schmitz	Waldorf
Davis	Kroening	Olhoft	Setzepfandt	Wegerer
Dicklich	Kronebusch	Pehler	Sieloff	Willet
Dieterich	Langseth	Penny	Sikorski	
Engler	Lantry	Peterson, C.C.	Spear	

The Sergeant at Arms was instructed to bring in the absent members.

### MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 40, Mr. Sieloff moved that S.F. No. 1891 be withdrawn from the Committee on Rules and Administration and placed at the top of General Orders.

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Tuesday, March 9, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate